

Internal Audit

Progress Report 2014-15 – Quarter 4

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1. Introduction

The Internal Audit Plan was accepted by the Audit Committee on the 29th April 2014. This report follows the principles previously requested by the Committee, in that all audit reports with limited or no assurance will be summarised into key messages with some detail.

2. Final Reports Issued

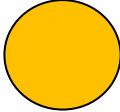
This report covers the period from 1st January 2015 to 31st March 2015 and represents an up to date picture of the work in progress to that date. The Internal Audit service has over this period issued 23 reports in accordance with the 2014-15 Internal Audit Plan. The full list of completed audits during this period is included within Appendix A.

In summary, the assurance ratings provided were as follows:

Substantial	0
Satisfactory	13
Limited	2
No	0
N/A	8
Total	23

The summary detail of those reports issued as Limited assurance is included within section 3.

3. Key Findings from Internal Audit Work with Limited assurance

Title	The Care Act – LGA Stocktake Submissions			
Assurances Audit Opinion	No	Limited	Satisfactory	Substantial
				
Date of report:	March 2015			
Background & Context	<p>The Care Act 2014 (the Act) is regularly described as the greatest change to the landscape of social care in over sixty years. In addition to introducing new responsibilities to Local Authorities, the Act seeks to bring together a number of existing laws under one piece of legislation. Various aspects of the Act (such as changes to assessments and promotion of wellbeing) come into force in April 2015 with the remaining changes (such as the social care cap) taking effect the following year.</p> <p>At the Council the Act is being implemented through several project management ‘workstreams’ with progress - along with any slippages in time, quality or costs - being reported to the The Care Act Implementation Board. This was amalgamated with the more general Transformation Board earlier this year as there was overlap with the roles/people on both boards and so it made sense to bring Care Act matters to the Transformation Board rather than hold two separate meetings. The Transformation Board is made up of senior management from the Adults & Communities, Public Health, Finance, Strategy and Communications teams.</p> <p>Submissions are made to the Local Government Association (LGA) in the form of Care Act Stocktakes, of which there have been three in advance of the changes in April 2015: ‘The purpose of these stocktakes is to develop a collective picture of progress across the country in a way that is useful both nationally and locally, providing information to facilitate local strategic discussions, map progress and identify support</p>			

	<p>needs and opportunities for shared learning.’ (LGA). We understand that Stocktakes will continue on a quarterly basis in advance of the introduction of further changes in April 2016.</p> <p>The stocktake submissions are shared internally with the Chief Executive and the Leader and they are used by the LGA, Department of Health and ADASS (Association of Directors in Adult Social Services) to inform and influence national policy.</p> <p>We reviewed the controls in operation over the Stocktake from Autumn 2014. Each stocktake covers a wide range of issues; the scope of our audit tested a sample of 2 of the 14 elements in detail: Cost Modelling and Workforce, the former being tested against the Council’s Data Quality Principles. The two elements we probed – cost modelling and workforce capacity – were based on a number of assumptions used to predict demand which will be continually updated by the service to reflect the actual pressures faced by the Council as they emerge. We understand that assumptions were developed in the absence of national data on self-funders and those likely to come forward for support under the Act. The modelling tools developed by the Council have been informed by available good practice models. However, there are no nationally prescribed modelling tools for cost and workforce modelling. The outputs of modelling have been presented to the Adults and Safeguarding Committee. The modelling has been used to inform local preparation alongside other information.</p> <p>The scope of this audit did not cover the Council’s preparations in comparison to other Local Authorities and we therefore do not comment on the overall preparedness of the Council.</p>
<p>Summary of Findings</p>	<p>There two priority 1, two priority 2 and one priority 3 recommendations.</p> <p>We noted the following areas of good practice:</p> <ul style="list-style-type: none"> • There was regular overview of the financial model at Care Act Implementation Board Meetings • The assumptions within the model have been shared with various members of senior management • Risks were routinely discussed at Care Act Implementation Board meetings and business risks recorded within JCAD, the Council’s risk management database, were reviewed regularly. <p>We identified the following significant issues as part of the audit:</p>

- **Projected costs – financial model** - The financial model used to predict the fiscal impact on the Council had not been adequately reviewed by the service. We reviewed a sample of 184 cells within a spreadsheet containing approximately 830 cells and identified an error which resulted in the financial impact of the legislative changes being under-estimated by £0.9 million over the next eight years, with an impact of £178k in 2016/17. The model therefore did not meet the Data Quality principle of 'accuracy and completeness'. The model also contained an incorrect reference, not meeting the Data Quality principle of 'reliability' (Priority 1).
- **Workforce: Training** - We noted that some relevant employees within the Adults and Communities delivery unit had not been included on training lists and therefore had not yet received the required training on the Care Act (Priority 1).

We noted the following other issues:

- The information submitted to the LGA in the Stocktake did not fully meet the Council's Data Quality Principles; some of the data reviewed did not meet the requirements of 'accuracy and completeness' or 'reliability' (Priority 2).
- The model allowed unauthorised changes to be made to the document and we found differences between the version held by the Finance Manager and the version provided by the Project Manager (Priority 2).
- Not all recommendations made as part of previous relevant audits have yet been fully implemented; 1 of the 5 recommendations inspected was found to be partially implemented (Priority 3).

To Note: We found that the Council's preparations for the Care Act with regard to workforce capacity had been delayed. In the autumn 2014 Stocktake the Council reported that reallocation or recruitment of the workforce to meet the new duties would be implemented by January 2015 but during the audit Management confirmed this has not been realised yet.

We also noted that, whilst the Council had developed a workforce capacity model which projected the

	number of additional employees required as a result of the legislative changes, a decision to employ a lower number of staff than the number projected is being progressed but has yet to be formally agreed by the Transformation Board.
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Priority 1 recommendations, management responses and agreed action dates

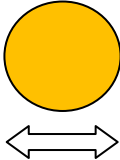
1. Projected costs – financial model

Recommendation	Management Response	Responsible Officer	Deadline
<p>A periodic check of the financial model should be completed by an appropriately skilled member of staff to rectify any errors which could lead to incorrect financial forecasts being generated. Ideally the check should be undertaken by a member of staff who is not directly responsible for updating the model.</p> <p>Additionally when the model is updated with new data, the references should also be correctly updated to allow for a full audit trail to support the revised figures.</p>	<p>The financial model which supports the financial impact of the Care Act changes due to come in from 1st April 2015 and then April 2016 is very complex and as highlighted above contains 830 referenced cells and 20 core pieces of data. The points highlighted effect the model for 2016/17 onwards and not 2015/16 which is considered in the Council's medium term financial plan.</p> <p>In order to mitigate the risk moving forward, we shall review the model to identify if it's feasible to reduce the number of referenced cells which will allow for an independent member of the Finance Services to review the model on a periodic basis. At the same time, when the independent review is undertaken we shall ensure any core data is clearly referenced back to supporting documentation.</p>	Assistant Director of Finance, CSG	June 2015

2. Workforce: training

Recommendation	Management Response	Responsible Officer	Deadline
The current training database and attendance lists should be cross matched against the current staff list to ensure that records are up to date and correct, and that all staff who require	<p>We fully agree with the audit's finding and will continue to engage with HR to rectify this issue.</p> <p>We note that Adults and Communities utilise a significant number of agency staff to deliver</p>	Assistant Director Community and Wellbeing	June 2015

<p>training are captured on training records.</p> <p>If current staff lists are not accurate Adults & Communities should continue to engage with HR to rectify this issue.</p>	<p>services and that agency staff would not appear on the staff list.</p> <p>The critical people to be trained on the Care Act duties are front line staff (social workers, occupational therapists etc).</p> <p>The Mosaic Training list was compiled from the current users of SWIFT (the current care management system). All front line staff must be registered as SWIFT users to perform their duties and we are confident that all of these critical members of staff were on the training list regardless of any cross checking with the staff list.</p> <p>Nevertheless, the training database is routinely cross checked with the staff lists when running training events of this magnitude and this was in hand whilst the audit was taking place.</p>		
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Title	St. Andrews CE School			
Assurances	No	Limited	Satisfactory	Substantial
Audit Opinion and Direction of Travel Last audit: Limited Assurance July 2011				
Date of report:	March 2015			
Background & Context	<p>St Andrew's CE School is a Voluntary Aided school with places for 210 pupils aged between 5 and 11 years of age. The School budget for 2014/15 was £1,038,136 with employee costs of £776,923 (75% of the delegated budget).</p> <p>The School was assessed as 'Good' by OFSTED in October 2011.</p>			
Summary of Findings	<p>As part of the audit we were able to give 'Limited' assurance to the school, noting three high and five medium priority issues as part of the audit:</p> <ul style="list-style-type: none"> • <u>Income</u> – Paperwork is incomplete for money received into the school office for breakfast club and after school club. There is an incomplete audit trail for cash and cheques received into the school office for dinner money recorded on Parentmail2. Therefore a complete reconciliation between money received and money banked was not possible (Priority 1); • <u>Payroll</u> – Lack of financial control. No evidence of review of payroll documents from April 2014 to November 2014 (Priority 1); • <u>Lettings</u> –Lack of financial control, lack of invoices, no confirmation that where income from lettings has been paid into Governor's funds, associated costs have been reimbursed to the School budget (Priority 1); • <u>Governance</u> –The Financial Management Policy and procedures document needs updating to reflect the role of the School Business Manager, use of Parentmail2 to record and allow parent payments to the school, and the authorisation process for purchases in school (Priority 2); 			

- Purchasing – Signatures on purchase orders are not consistent with the Notice of Authorised Signatories approved by Governors. There is a lack of segregation of duties (Priority 2);
- Voluntary funds – The accounts for the School fund should be audited on an annual basis, presented to Governors, and submitted to the Local authority within six months of the end of the accounting period (Priority 2);
- Assets– The Inventory contains incomplete entries, (no reference to date of acquisition, or cost), recent purchases have not been included (Priority 2);

Following our 'Schools Financial Values Standard' (SFVS) self – assessment review we were unable to confirm all judgements, as supporting evidence was not provided for these areas. Therefore, although the School has responded with 'Yes', or 'In Part', in area(s) outlined below, it is the opinion of audit that these areas have either not been met, or met 'In-Part':

A1: In the view of the governing body itself and of senior staff, does the governing body have adequate financial skills among its members to fulfil its role of challenge and support in the field of budget management and value for money?

- The school has answered 'Yes', but there was no evidence available to support this. No Governor competency forms available, or list of financial training undertaken by Governors/staff.

A2: Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?

- The school has answered 'Yes', but there was no evidence available to support this. No recent review of Financial Management Policy and procedures document. No information available re Chair of Governors.

A5: Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest?

- The school has answered 'Yes', but there was no evidence available to support this. No evidence of review of business interests of staff.

A7: Does the school review its staffing structure regularly?

- The school has answered 'Yes', but there was no evidence available to support this.

B9: Does the school make a forward projection of budget, including both revenue and capital funds, for at least three years, using the best available information?

- The three year budget forecast was not up to date

C12: Does the school benchmark its income and expenditure annually against that of similar schools and

	<p>investigate further where any category appears to be out of line?</p> <ul style="list-style-type: none"> - The school has answered 'Yes', but there was no evidence available to support this. <p>D18: Is the governing body sure that there are no outstanding matters from audit reports or from previous consideration of weaknesses by the governing body?</p> <ul style="list-style-type: none"> - The school has answered 'Yes', but five findings from the previous audit have been repeated (Purchasing/Income/Lettings/Voluntary funds/Assets) <p>D19: Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers (please note any instance of fraud or theft detected in the last 12 months)?</p> <ul style="list-style-type: none"> - Refer to audit Findings/Recommendations; (Income/Payroll/Purchasing), which should be addressed to ensure procedures are as robust as possible <p>D22: Does the school have adequate arrangements for audit of voluntary funds?</p> <ul style="list-style-type: none"> - The School Journey Account and the Private Account were not audited on an annual basis from 2009 to 2013 <p>D23: Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?</p> <ul style="list-style-type: none"> -The asset register was not found to be up to date
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Priority 1 recommendations, management responses and agreed action dates

1. Income

Recommendation	Management Response	Responsible Officer	Deadline
<p>Strict income controls and procedures should be in place to ensure effective financial management. Independent checks should be carried out to verify amounts banked agree to source records. These checks should be visibly evidenced.</p> <p>Refer to the Barnet Schools Financial Guide, section 7 (Income collection and administration) to ensure that there is a proper audit trail.</p>	<p>We shall explore better methods of recording incoming revenue for school clubs and lunches, that are workable and time-efficient</p>	<p>School Business Manager</p>	<p>30th Sept 2015</p>

2. Lettings

Recommendation	Management Response	Responsible Officer	Deadline
<p>The School should refer to the Barnet Schools Financial Guide, section 7.9 (Lettings Policy and Administration) for guidance with lettings, to ensure that all income due to the School is identified, collected and recorded promptly.</p> <p>The Financial Guide for schools section 7.9 states that 'The income from lettings should be paid into the same account from which the related expenditure was paid i.e. the school's Delegated Budget / Budget Share Account. However, in Voluntary Aided Schools where the premises are owned by the Governors, then it is permissible for the income to be paid into the Governor's account but only if all identifiable costs associated with providing the letting are reimbursed to the school's delegated budget.</p> <p>Where income from lettings is paid into the Governors account then the Lettings Policy should set out the frequency at which associated costs are reimbursed to the delegated budget together with the basis on which these are calculated.'</p>	<p>There is an ongoing effort to tighten the various elements of managing Lettings and filling gaps such as invoicing, proof of insurance and proof of DBS clearance. We aim to have a complete file and system in place by the early part of Autumn term 2015</p>	<p>School Business Manager</p>	<p>30th Sept 2015</p>
3. Payroll			
Recommendation	Management Response	Responsible Officer	Deadline
<p>As payroll constitutes the largest area of expenditure for the School, it is recommended that at least two officers are involved in checks over the monthly payroll reports.</p>	<p>Monthly payroll checks are now in place and have been since Dec 2014 which involve the SBM checking payroll against budget expectations and contract details, and meeting with the Head teacher to discuss and reconcile any variances,</p>	<p>Head teacher and SBM</p>	<p>Now in place</p>

Refer to the Barnet Financial Guide for schools, section 4 (Internal Financial Controls), and page 16 of the 'Keeping Your Balance' document, issued jointly by Ofsted and the Audit Commission for guidance.	with the Head teacher signing the monthly check sheet		
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4. Advisory reviews for management purposes

There were four advisory reviews undertaken by internal audit that do not give an assurance rating but none the less aid management in assessing the design and effectiveness of their control environment. If a significant issue has been identified or a Priority 1 recommendation made as part of these reviews further detail is provided within this progress report below.

Any potential independence threats have been managed when undertaking these reviews in that the staff involved in the reviews have not audited / will not audit the area concerned for at least 12 months before or after the advisory work.

	Advisory Reviews	
1	Re Joint Venture arrangements	See 4.1 below
2	Trade Waste Invoicing	See 4.2 below
3	Schools Assurance Mapping	See 4.3 below
4	Data Quality Q3 - Adults CPI 1005 (Proportion of older people (65 and over) who were still at home 91days after discharge from hospital into reablement/rehabilitation services)	No significant issues

4.1 Re Joint Venture arrangements

Background & Context	<p>Our work focused on the governance of, and reporting to, the Joint Venture Board (the JV Board) and was limited to a review of background documents, interviews with officers and board members, and an assessment of the adequacy of procedures and controls to mitigate identified risks. Our work was undertaken at this time to provide assurance and feedback on controls prior to Re taking on any new business outside of the services that are currently provided to the Council.</p> <p>The joint venture company (Re) was formed by the Council with Capita Symonds Limited in order to</p>
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	<p>deliver Development and Regulatory Services. Through a shareholder's agreement, the Council is able to appoint two directors and Capita Symonds Limited can appoint four directors.</p>
Summary of Findings	<p>We identified six findings. Of these there are four Priority 1 findings. These are summarised as follows:</p> <ul style="list-style-type: none"> • Decision making – It was not clear whether Re has an Authorisations manual, which documents financial and procurement limits for Re directors and staff. In addition, the Council's Scheme of Delegation under which decisions are delegated by the Council's Strategic Directors to Re's Directors and the Council's Strategic Commissioners is in draft form only. This could lead to inappropriate decision making. <i>See recommendation 1.</i> • Risk register – there was no evidence of the Re risk register having been discussed by the JV Board, and JV Board members interviewed had different views on the risks affecting Re. This could lead to risks being insufficiently mitigated and thus crystallising. This could prevent the achievement of objectives and a shortfall of income to the Council. <i>See recommendation 2.</i> • Financial report – we found that financial reporting to the JV Board was unclear and was not supported by appropriate narrative. This could lead to poor performance or cash flow issues not being identified resulting in a loss of income to the Council. This issue had already been identified by JV Board members and was being addressed at the time of the audit. <i>See recommendation 3.</i> • Conflicts of interest within the Council – there is scope for conflicts of interest to arise between members and officers of the Council and Re when making Council decisions, because the Leader and the Chief Executive are Directors of Re. Although these conflicts have been considered, they are currently not all formally documented in a log with mitigating actions together with evidence of review and approval by the Monitoring Officer to ensure that the Council's decision making processes are protected. <i>See recommendation 4.</i> <p>From our interviews with management and review of documents, we found that many of the issues noted in this report have already been identified by management. The Chief Executive and the Leader of the Council contribute valuable knowledge and insight to the JV Board and the decisions it makes. However, there is a need for the formalisation and documentation of the key measures / controls in place to mitigate some of the risks identified during this review, namely in the areas of conflicts of interest, delegation of</p>

	responsibilities and risk management.		
Priority 1 recommendations, management responses and agreed action dates			
1. Decision Making			
Recommendation	Management Response	Responsible Officer	Deadline
1a) Re should prepare an appropriate Authorisation Limits document which specifies financial and procurement decisions can be made at each level of the organisation. This document should also include authorisation limits on signing of contracts to provide services to other bodies.	1a - Re’s authorisation limits document is in the process of being reviewed and updated to reflect current operational management arrangements. This will be completed and published by the end of April 2015.	Partnership Director, Re	April 2015
1b) The Council’s draft Scheme of Delegation should be updated in line with the recent changes to the structure of the Council’s Commissioning Group.	1b.1c.1d – The Council’s scheme of delegation is in the process of being updated to reflect the changes in the senior management positions and the new structure of the Commissioning Group. It will be published on the Council’s website after scrutiny by the Constitution, Ethics, and Probity Committee in the new municipal year.	Commercial & Customer Services Director	July 2015
1c) The Re Authorisation Limits document and Council’s Scheme of Delegation should be approved by the JV Board prior to adoption.			
1d) Once approved, the Council’s Scheme of Delegation should be published on the Council’s website as planned.			

2. Risk Register & Risk Reporting

Recommendation	Management Response	Responsible Officer	Deadline
2a) Re's complete risk register should be presented to the JV Board meeting for review. The JV Board should then decide the frequency with which it wants the full risk register to come to the JV Board.	Re's risk register will be presented at the next JV Board and subsequent ones	Partnership Director, Re	April 2015 JV Board
2b) Directors should satisfy themselves that all key risks preventing the achievement of Re's objectives are mitigated adequately and that opportunity risk is maximised.			

3. Financial Reporting

Recommendation	Management Response	Responsible Officer	Deadline
3a) Re should work with its Directors to ensure that financial reporting is fit for purpose and understood by management.	Financial reporting has been refined and new reports will be presented to the JV Board	Partnership Director, Re	April 2015 JV Board
3b) Re should ensure that papers presented contain suitable narrative to describe the financial performance and position of Re.			

4. Council decision making and conflicts of interest

Recommendation	Management Response	Responsible Officer	Deadline
<p>4a) The latest version of the Conflicts of Interest register should be published on the Council's website.</p> <p>4b) The JV Board should proactively review conflicts of interest at each meeting and ensure that the log contains any perceived, potential and actual conflicts of interest recognised to date.</p> <p>4c) The Council should ensure that the log is reviewed and agreed by the Council's Monitoring Officer. This should take into account the recent changes to the Council's senior management structure.</p>	<p>The Conflict of Interests (Col) register is a standing agenda item on the Partnership Ops Board and Re's Partnership Director or Operations Director reports any issues of significance to the Authority within 5 days. The register is then publicly published on the Council's website regularly. In future, prior to publication the Monitoring Officer will be asked to review</p>	<p>Commercial & Customer Services Director & Re, Partnership Director</p>	<p>April 2015</p>

4.2 Trade Waste Invoicing

Background & Context	<p>Street Scene collects and disposes of business trade waste. The target for increased income from trade waste collection for 2014/15 was estimated at £50k in the Council's Medium Term Financial Strategy, bringing the total projected income from trade waste for 2014/15 to £2.327m.</p> <p>Street Scene and Finance recently identified instances where:</p> <ul style="list-style-type: none">- invoices had not been raised for trade waste collections service delivery- invoices were incorrect- credit notes had been duplicated <p>Between May and October 2014 the Trade Waste team undertook a reconciliation exercise between their database, Citrix and Integra, the Council's general ledger. This has led to a data cleanse of the missing or incorrect information identified and improved controls being introduced by the service.</p> <p>Internal Audit was requested to provide assurance on the effectiveness of processes and controls introduced by Street Scene to address the above issues which are to ensure complete, accurate and timely invoicing of trade waste services undertaken by the Council.</p>
Summary of Findings	<p>There are one priority 1, three priority 2 and one priority 3 recommendations.</p> <p>We identified the following issues as part of the audit:</p> <ul style="list-style-type: none">• Approval and Allocation of Credit Notes - Credit notes are raised when trade waste collection is cancelled or the level of required service reduced by a customer. Credit notes are manually allocated against invoices in the Integra system but at the time of the audit this allocation was not subject to secondary review, and it is possible to raise a credit note but not to allocate it to a specific invoice. It is not currently possible within the system to see when a credit note has been raised but not yet authorised, increasing the risk of duplicate credit notes being raised. (Priority 1).• Accuracy of Trade Waste Customer Charges - Individual invoice calculations made by Trade

	<p>Waste are not currently subject to secondary review; our sample testing of 25 invoices identified 2 errors on invoices that had not been resolved by the service’s reconciliation exercise; and the Trade Waste collection charges input into Integra by Finance on an annual basis are not reviewed by the Trade Waste Management team at point of entry to confirm accuracy. (Priority 2).</p> <ul style="list-style-type: none">• Roles and responsibilities within Trade Waste Management and CSG Finance - The capacity within the Trade Waste team needs review to ensure that Trade Waste invoicing controls are appropriately robust; and the recently revised Trade Waste procedure documents do not include CSG Finance responsibilities regarding the entire Trade Waste income process (Priority 2).• Accuracy and completeness of contract information - When trade waste services are requested by a customer a contract is produced by the Council. Details on the contract should be consistent with the customer account information on the Integra system. Our testing of 25 invoices found 1 where there was no contract in place with a customer and 1 where the contract start date was not recorded correctly on the Integra system. These issues had not been resolved by the service’s reconciliation exercise. A lack of formal contract documentation may result in the Council being unable to successfully collect all income owing to them for trade waste services (Priority 2).• Timeliness of Invoicing - There is no formal timescale for the creation of new customer accounts on Integra or for the raising of invoices for trade waste services when new customers are created (Priority 3).		
Priority 1 recommendations, management responses and agreed action dates			
1. Approval and Allocation of Credit Notes			
Recommendation	Management Response	Responsible Officer	Deadline
a) Management should investigate whether it is possible within Integra to make credit notes visible on the system when they have been raised	A secondary review has already been put in place for the approval of credit notes which reduces the risk of duplicates raised against accounts.	Collection Services Manager, Waste & Recycling	Complete

	<p>risks that should be considered as part of the schools audit visits to most effectively use the limited audit resource available. The outcome will potentially be to refresh the approach to, and scope of, schools audits, taking into consideration the monitoring already in place elsewhere in the Council and learning from the approaches in place at other local authorities.</p> <p>If a new approach is devised it will be agreed with the Director of Education and Skills, the Chief Operating Officer and the Audit Committee.</p>
Summary of Findings	<ul style="list-style-type: none"> • A workshop was held with various stakeholders in December 2014 (including representatives from Education & Skills, Finance, HR and the CAFT). • A draft assurance map has been prepared - a matrix detailing objectives, risks and a summary of the first, second and third lines of defence for schools as well as a list of areas to consider for future schools audits. • We are undertaking an audit of School Improvement Data in Q1 of 2015/16 to further inform any changes to the approach. • Any proposed changes to the Schools audits approach will come to the Audit Committee for agreement in July 2015 in order to be implemented at schools from September 2015 onwards.

5. Work in progress and effectiveness review

Appendix B includes a list of all of those audits at the planning, fieldwork, or draft reporting stages.

Appendix C includes performance against the Internal Audit effectiveness indicators. We have met all targets within the plan with the exception of one indicator being rated Amber:

- 1) Implementation of internal audit recommendations – the progress of the 16 high priority recommendations due for implementation in quarter 4 is included in Appendix D. 69% of recommendations have been fully implemented compared to a target of 90%.

A summary of the status is as follows:

Status	Number	%
Implemented	9	69
Partly Implemented	4	31
Not Implemented	0	0
Total	13	100

6. Changes to our plan

Since the Internal Audit Plan was approved agreed in April 2014 there have been a number of changes that have been reported to the Audit Committee within the 2014-15 quarterly progress reports. In quarter 4 there is one change in timing to report.

Type	Audit Title	Reasons
Deferred	People Management	Deferred to Q1 as agreed with management due to changes in HR senior officers within the Council and CSG.

7. Liaison with Officers and External Audit

The Internal Audit Service is committed to the managed audit approach. Part of this includes regular liaison with External Audit to ensure that our work can be used by them as part of their financial accounts audit. Quarterly meetings, as a minimum, occur between external and internal audit.

Regular meetings have occurred with senior officers regarding implementing action plans in accordance with the agreed timeframe.

As part of the Internal Governance reviews, Internal Audit officers work closely with Governance colleagues to ensure efficient and effective audits.

Officers within the Assurance Group work closely with Capita and the Barnet Group in line with agreed protocols that both clarify and put in place practical arrangements around the relevant Audit, Fraud and Risk contract or management agreement clauses.

8. Risk Management

In 2014/15 we are reviewing the Council's risk management arrangements during the course of the year as part of audits where appropriate. At the end of the year we will bring these findings into a summary report which will come to Audit Committee and will provide an assurance rating over the Council's risk management arrangements.

The final performance report for Quarter 3 was presented to the Performance and Contract Monitoring Committee on 11th February 2015 and can be found via the link below. Appendix H to the report is the Quarter 3 corporate risk register. Quarter 4 performance will be published at the end of April.

<http://barnet.moderngov.co.uk/mgAi.aspx?ID=7486#mgDocuments>

Appendix A: 2014-15 work completed during quarter 4 including assurance levels

Audit Opinions on Completed Audits during the period		
Systems Audits		Assurance
1	The Care Act - LGA Stocktake Submissions	Limited
2	Mental Capacity Act	Satisfactory
3	Decommissioning of SAP	Satisfactory
4	Information Management Strategy	Satisfactory
5	Transformation Q4	Satisfactory
6	Special Education Needs (SEN) and Children and Families Act (Legislative Changes)	Satisfactory
7	Internal Governance Q4 – Council Decision Making	Satisfactory
8	SPA PCN deletions follow-up	N/A
9	Troubled Families – Payment by Results Q4	N/A
Advisory Reviews		Assurance
10	Re Joint Venture arrangements	N/A
11	Trade Waste Invoicing	N/A
12	Data Quality Q3 - Adults CPI 1005	N/A
13	Schools Assurance Mapping	N/A
Grants		Assurance
14	Troubled Families – Payment by Results Q4	N/A
15	Transforming Care Grant	N/A
School Audits		Assurance
16	Pardes House	Limited
17	Our Lady of Lourdes Catholic	Satisfactory
18	Christ Church	Satisfactory
19	St. John's N20	Satisfactory
20	Finchley Catholic High School	Satisfactory
21	St. Vincent's Catholic School	Satisfactory
22	Blessed Dominic Catholic School	Satisfactory
23	Woodridge	Satisfactory

Appendix B: Work in progress

The following work is in progress at the time of writing this report:

Work in progress

Systems Audits		Status
1	Grant Income	Draft Report
2	Regeneration	Planning
3	Risk Management Framework	Planning
School Audits		Status
4	St. Andrews CE	Draft Report

Appendix C: Internal Audit Effectiveness Indicators

Performance Indicator	Annual Target	End of Quarter 4
% of recommendations accepted	98%	98%
% of recommendations implemented due in quarter	90%	69%
External Audit evaluation of Internal Audit (previous year)	Reliance On IA	Quarter 1 assessment
Average client satisfaction score (above 3)	90%	100%
% of Plan delivered	95%	95%
% of draft reports completed within 10 days of finishing fieldwork	90%	93%
Periodic reports on progress	Each Audit Committee	Achieved
Preparation of Annual Plan	By April	Achieved
Preparation of Annual Report (previous year)	Prior to A.G.S.	Quarter 1 assessment
Staff with professional qualifications	70%	75%
Staff development days	5 days	Achieved

Appendix D: Quarter 4, 2014-15: Priority 1 Recommendations due

Code to ratings:

Shading	Rating	Explanation
	Implemented	The recommendation that had previously been raised as a priority one has been reviewed and was considered implemented.
	Partly Implemented	Aspects of the priority one recommendation had been implemented however not considered implemented in full.
	Not Implemented	There had been no progress made in implementing this priority one recommendation.

Key Financial Systems

NOTE: In January 2015 we reported an interim follow-up of progress against Key Financial System reconciliation weaknesses that were identified in the December 2014 audit. In these cases the January 2015 audit assessment is also noted below.

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
1	Income & Debt Management Reconciliations Reconciliations should be performed on a regular basis and should	Dave Rowe, Head of Exchequer Services	This is due to the implementation of the INTEGRA system which had a go live date of April 2014. A reconciliation will be performed that will cover the period from April 2014 to September	Partially implemented At the time of testing on 8/1/2015, no formal evidence could be provided to show that the reconciliation for 1 st April to 31 st October 2014 had been	Current status: Implemented We confirmed that a reconciliation of accounts receivable and the general ledger had been performed for each month between October 2014 and the testing

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
	be authorised by a senior member of the finance team on a timely basis. Both preparer and authoriser should sign and date the reconciliation and archive it appropriately.		2014 in December 2014.	<p>performed or authorised. The sign-off of the reconciliation showing the date prepared and authorised was consequently performed whilst we were on site on 9/1/2014 for the April to October period. The reconciliation for November was also authorised after the audit had commenced and we were unable to see the evidence of the reconciliation being performed prior to this date due to staff absence at the time of testing. We have been informed by senior management that regular reviews of the reconciliations have occurred but evidence could not be seen to support that the reconciliation is performed on a timely basis as a business as usual control.</p> <p>We have seen that the</p>	<p>date.</p> <p>We reviewed the year to date reconciliation which had been completed in February 2015 and noted a reconciling balance of £500. Discussion with management confirmed that this balance will be investigated as part of the year end close down procedures.</p> <p>We also confirmed that the reconciliation had been reviewed by the Senior Finance Officer.</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
				reconciliation has been authorised correctly as prepared and signed off by separate and appropriate members of staff. An outstanding balance on the reconciliation of £232k has been noted that had not been thoroughly investigated or clarified as at the time of testing. As the reconciliation has been completed in January 2015 for the period ending 31/10/2014, we would expect that this balance would have been understood and resolved at the time of sign off.	
2	Accounts Payable Reconciliations Reconciliations should be performed on a regular basis and should be authorised by a senior member of the finance team on a timely basis. Both preparer and	Dave Rowe, Head of Exchequer Services	This is due to the implementation of the INTEGRA system which had a go live date of April 2014. A reconciliation will be performed that will cover the period from April 2014 to September 2014 in December 2014.	Partially implemented The AP reconciliations for September (covering April - September), October, November and December 2014 were evidenced as being reviewed and authorised in January 2015 after the audit had commenced. We have been	Current status: Implemented We confirmed that a reconciliation of accounts payable and the general ledger had been performed for each month between October 2014 and the testing date. We reviewed the year to date reconciliation which had been

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
	authoriser should sign and date the reconciliation and archive it appropriately.			<p>informed by senior management that regular reviews of the reconciliations have occurred but evidence could not be seen to support that the reconciliation is performed on a timely basis as a business as usual control. The delay in preparation was due to the difficulties faced by LB Barnet following the transfer in accounting systems from SAP to Integra.</p> <p>To confirm these had been performed and approved appropriately we have reviewed the reconciliation from April to September and the November month reconciliation.</p> <p>We have seen that the reconciliations that were authorised whilst we were on site are performed correctly and are prepared and signed off by separate</p>	<p>completed in February 2015 and noted a reconciling balance of £77. Discussion with management confirmed that this balance will be investigated as part of the year end close down procedures.</p> <p>We also confirmed that the reconciliation had been reviewed by the Senior Finance Officer.</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
				<p>and appropriate members of staff.</p> <p>A balance on the reconciliation of £145k relating to a brought forward transfer from SAP for credit notes was noted as a discrepancy between the balances in the ledgers. Per discussion with the Finance Manager, the Council are currently undertaking a project to resolve or write-off the balance before year end (31/03/2015).</p>	
3	<p>General Ledger</p> <p>Control Account Reconciliations</p> <p>Reconciliations should be performed on a regular basis and should be authorised by a senior member of the finance team on a timely basis. Both preparer and authoriser should sign and date the</p>	Paul Thorogood, Assistant Director of Finance, CSG	The control accounts will be reconciled on a monthly basis, and signed off appropriately going forward.	<p>Partially implemented</p> <p>We have reviewed five control accounts from November to ensure that they have been correctly reconciled and authorised for the period. We have also tested the control summary spreadsheet to ensure that it has been completed on a timely basis and is up to date.</p>	<p>Current status: Implemented</p> <p>We selected a sample of 25 control account reconciliations performed between 1 October 2014 and 28 February 2015, testing to ensure they have been authorised and the reconciling items had been investigated promptly following the month end.</p> <p>Our testing identified that in all cases the reconciliation had been performed and fully</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
	reconciliation and archive it appropriately.			<p>4/5 reconciliations were seen to have been performed correctly, however, one of the reconciliations had not been signed off as authorised at the date of testing.</p> <p>For three reconciliations that were not completed by the Senior Management Accountant, the reconciliation, or confirmation of the reconciliation, had not been sent to the Senior Management Accountant for that month to evidence monitoring of the control accounts. As such, we cannot confirm that all individual control accounts are being centrally monitored to ensure they are completed each month.</p> <p>Upon inspection of the control summary spreadsheet, we noted that the majority of this</p>	documented. We also confirmed that the reconciliation had been reviewed by the Senior Finance Officer.

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
				document was incomplete and details of who had prepared the reconciliation (and when) had not been included in the spreadsheet.	
4	<p>General Ledger</p> <p>Control Account Reconciliations – Suspense Accounts</p> <p>See above</p>	Paul Thorogood, Assistant Director of Finance, CSG	See above	See above	<p>Current status: Implemented</p> <p>We confirmed that the Council has one suspense account and the reconciliation of the account had been performed for each month between October 2014 and the testing date.</p> <p>We reviewed the year to date reconciliation which had been completed in February 2015 and noted a reconciling balance of £163. Discussion with management confirmed that this balance will be investigated as part of the year end close down procedures.</p> <p>We also confirmed that the reconciliation had been reviewed by the Senior Finance Officer.</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
5	<p>Council Tax & NNDR Reconciliations</p> <p>A daily reconciliation should be performed and should be authorised by a senior member of the finance team on a timely basis. Both preparer and authoriser should sign and date the reconciliation and archive it appropriately.</p>	<p>Paul Thorogood, Assistant Director of Finance, CSG</p> <p>Neil Clarke, Revenues & Benefits Operations Manager</p>	<p>Agree that this has not occurred and actions are in place to rectify this and continue the reconciliations on a monthly basis. The delay has been due to resources and knowledge leaving the CSG team prior to the necessary knowledge required to undertake the reconciliations being imparted to the finance team; we have had to build up that knowledge and this has led to the delays in the monthly reconciliations being undertaken.</p>	<p>Partly Implemented</p> <p>The CT and NNDR reconciliations for October (covering April - October) and November were evidenced as being reviewed and authorised in January 2015 after the audit had commenced. We have been informed by senior management that regular reviews of the reconciliations have occurred, but evidence could not be seen to support that the reconciliation is performed on a timely basis as a business as usual control. The delay in the initial preparation was due to the difficulties faced by the Revenues and Benefits teams moving off site and the reconciliation transferring to Finance.</p> <p>Large reconciling balances were found on all of the</p>	<p>Current status: Implemented</p> <p>We confirmed that the reconciliation of the NNDR and Council Tax systems to the general ledger had been performed for each month between October 2014 and the testing date.</p> <p>We reviewed the year to date reconciliations which had been completed in February 2015 and examined evidence to demonstrate that the reconciliations had been reviewed by the Senior Finance Officer on 05/03/2015. There was no evidence provided to demonstrate that the reconciling items were investigated. This was because the investigation process is completed using email and the emails are not routinely retained by management.</p> <p>We did note that in both</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management Dec 2014	Audit Assessment January 2015	Audit Assessment April 2015
				<p>reconciliations tested and these have not been fully clarified and resolved as of the time of testing. We were able to see that the reconciliation was prepared and sent to be reviewed by a separate and appropriate member of staff, but the authoriser did not sign off the reconciliation as they have questioned the large outstanding balances as these will need to be explained by the Revenues and Benefit's team. As such, as of the time of testing, we could not see that the reconciliation was signed off by the authoriser as completed. As the reconciliation has been authorised in January 2015 for the period ending 31/10/2014, we would expect that this balance would have been understood and resolved at the time of sign off.</p>	<p>cases the balance of reconciling items had reduced from October 2014 and February 2015 and are now below £20k.</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment April 2015
6	<p>Income & Debt Management</p> <p>Invoice request forms</p> <p>Invoices requests should be implemented and authorised before being issued. Due to the large amount of invoices issued, a scheme of delegation of authority could be set up so that invoices could be authorised on a hierarchal basis depending on value.</p>	Paul Thorogood, Assistant Director of Finance	<p>The financial process in place within Integra is identical to the process in place within SAP, where by a 'Sales Order' request is placed on the system and then through an automated process this is turned into an invoice and sent to the customer. It should be noted that credit notes go through an approval loop and are approved by the respective budget manager/holder.</p> <p>In line with the recommendation from the Internal Auditor and in line with best practice, a system configuration change will be made to Integra to introduce a threshold for 'Sales Orders' which require approval. This threshold will be decided following a review of all debtors and credits notes raised in the period and then reviewed periodically and if necessary lowered.</p>	<p>Current status: Partly Implemented</p> <p>The functionality of Integra is being re-configured to include a threshold above which sales invoices will automatically require approval. We confirmed that the CSG's proposal to implement this was approved by the Council in March 2015. Feasibility work was undertaken and it was deemed better value for money to undertake the activity alongside the planned upgrade to Integra which will happen in July 2015.</p> <p>The proposal does not currently include a specific threshold. This will be agreed before implementation in July.</p> <p>Revised Implementation Date: 31 July 2015</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment April 2015
7	<p>Accounts Payable</p> <p>BACs request authorisation and reconciliation</p> <p>The BACs run should be reviewed and authorised by the AP team to confirm that the payments to be made are accurate and valid.</p> <p>This should then be reconciled against the BACs payment made to ensure that no changes have been made in the migration of the BACs data from the AP system to the BACs system. Evidence of this process should then be archived.</p>	Dave Rowe, Head of Exchequer Services	<p>The BACs run is proposed, reviewed and authorised by one of three members of the AP team (Senior Accounts Payable Officer or Head of Exchequer Services) and this takes place within Integra. On authorisation the system produces a file which is output into an automated process through which the file cannot be changed and uploaded to the BACs Bureau which provides a gateway to the bank.</p> <p>Within Integra the value of the BACs run updates the 'Cashbook' register which is then matched with the expenditure on the bank statement. As part of the 'Cashbook' element of the audit, it was confirmed that reconciliations of the 'Cashbook' and bank accounts were in place and therefore any discrepancy between the authorised value and the amount physically paid would be highlighted through this latter process.</p> <p>During the audit, it was not possible to provide the Auditors within the timescale the evidence that</p>	<p>Current status: Implemented</p> <p>The audit confirmed that the operation of the BACS process has not changed and is consistent with the information documented above in January 2015.</p> <p>The number of entries and total value of the BACS file is checked by the proposals team before being released for payment.</p> <p>A retrospective check is also performed by the cashbook team between the total values of the payment proposal on Integra against the expenditure recorded in the bank statement when the payment is processed. Any differences are investigated by management.</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment April 2015
			<p>supports that a member of the AP team propose, review and authorise the payment run due to complications in extracting the data from the audit tables within the system. However Management are able to confirm this control has been in place since the 1st April 2014 when the system went live.</p> <p>The necessary reports have now been generated to support the audit work moving forward.</p>	<p>A listing of the individual payment proposals and their value is maintained by management. The listing is retained for one month before being disposed of. This is due to the volume of payment proposals generated.</p> <p>There is sufficient segregation of duties between all areas of the BACs process and we are satisfied that the risk of incorrect BACs payments being made is appropriately mitigated.</p>
8	<p>Accounts Payable</p> <p>New Suppliers</p> <p>External validation checks should be performed and recorded on the new supplier form. Evidence of the validation should be as well as the new supplier form should be electronically attached to the supplier account to ensure that a supplier form has been performed for each supplier on the system.</p>	Dave Rowe, Head of Exchequer Services	<p>On the setting up of new supplier appropriate checks are made back to the company to ensure the validity of information received, however this follow up correspondence is not included / noted on the paperwork retained by the service. Moving forward the correspondence and / or file note will be retained, including highlighting who completed the</p>	<p>Current status: Implemented</p> <p>We selected a sample of 25 new suppliers created on Integra between 1 October 2014 and 28 February 2015, testing to ensure that a new supplier form was completed and authorised and that evidence was recorded on the system to demonstrate</p>

No.	Audit Title and Recommendation	Responsible Area	Response from Management	Audit Assessment April 2015
			<p>check and when.</p> <p>In addition, we shall begin to upload and scan the change correspondence into Integra and attach this to the supplier record to ensure ease of accessing the record. We shall also consider further whether appropriate segregation of duties are in place within the team or whether the approval of supplier changes should be made by a second team.</p> <p>At the same time it should be noted that any payments to a particular supplier for over £35k are separately approved by a member of staff outside of the Accounts Payable team to validate the bank account and ensure the invoice has been entered correctly into the system.</p>	<p>that the validity of the supplier details had been checked.</p> <p>In all cases we were able to verify that a new supplier form had been completed and authorised appropriately and that supporting evidence had been uploaded on Integra before the date the transaction was completed.</p>

Other Follow-Ups

9	<p>Data Quality (Self Directed Support) – November 2014</p> <p>Audit Trails</p> <p>Audit trails supporting outturn for reporting periods should be retained for independent scrutiny and testing, in line with the Data Quality Policy, as a minimum to support corporately reported outturn and any other key reporting, for example, for statutory returns.</p> <p>The Information Team should undertake periodic spot checks to ensure that reported outturn is supported by sufficient audit trails / source documentation.</p> <p>Officers should be reminded, for example at supervision, to save the relevant documentation correctly in WISDOM.</p>	<p>Performance and Information Manager Adults and Communities - Information Team</p> <p>1 January 2015</p>	<p>This will be completed for Q3 corporate reporting.</p>	<p>Partially Implemented.</p> <p>Internal Audit was shown file folders on the Clients' 'S' drive which contained SWIFT business objects reports. These acted as an audit trail to support the KPI figures regarding Self Directed Support.</p> <p>We selected a period at random (the position as at the end of March 2015) and were shown the object report at that date, including figures which comprise both the numerator and denominator.</p> <p>Management have confirmed that, to date, periodic spot checks have not occurred; however, Internal Audit was provided</p>
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				<p>with a draft copy of the Adult & Communities Performance Information Team Service Plan for 2015-16 which incorporated the desired spot checks. The draft plan named a responsible officer for undertaking this task and management confirmed that completion of the spot check, as well as keeping folder evidence in WISDOM, will be included in the Officer's Performance Review for 2015/16.</p> <p>Further action required for full implementation:</p> <ul style="list-style-type: none"> • Completion of quarterly spot checks to ensure that the reported outturn is supported by sufficient audit trails / source documentation. <p>Revised implementation date: 30 June 2015 for quarter 1 of the 2015/16</p>
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				outtake.
10	<p>Your Choice Barnet Review – July 2014</p> <p>Day Centre Staff – Right to Work</p> <p>Your Choice Barnet (YCB) should confirm that pre-employment checks including Right to Work are contractually agreed with each employment agency and that the signed final copy of each individual contract is kept centrally on file at YCB. The contract should detail that relevant checks will be undertaken prior to agency staff commencing work at YCB.</p>	<p>Director of Care and Support, Your Choice Barnet</p> <p>31 July 2014</p>	<p>YCB has always ensured appropriate pre-employment checks are obtained prior to a new recruit starting work and will continue to do so. The staff files where paperwork was incomplete at the time of transfer have been updated as part of the DBS renewal process. There are a small number where this is outstanding and this has now been bought forward for those individuals; there is no reason to believe that there are any employees working for YCB that do not have a right to do so.</p> <p>All staff records will be stored in a central location.</p> <p>YCB has contractual agreements with all agencies that it uses and is confident that all pre-employment checks are in place as part of those agreements, as a means of providing assurance YCB will periodically sample employment records of agency workers. Signed agreements will be stored in a</p>	<p>Partially implemented</p> <p>Last quarter Internal Audit reported that YCB had conducted some checks but were awaiting some signed contracts to be returned by the agencies. It was agreed that this would be followed up and monitored by the Quality & Monitoring Officer within the Adults & Communities Delivery Unit, with a revised agreed deadline of 28 February 2015.</p> <p>In April 2015 management have confirmed to Internal Audit that that the recommendation is not yet fully implemented, with status being as follows:</p> <p>There are 5 agencies that it has been confirmed YCB currently use:</p> <p>1 is compliant - signed contract in place and site</p>

			central location	<p>visit has been carried out to validate staff files.</p> <p>2 are partly compliant - signed contract in place or signed contract reviewed and clarity on right to work has been confirmed via email; however the site visit has not yet occurred.</p> <p>2 are not compliant - signed contracts are outstanding and site visits have not yet occurred.</p> <p>The site visits that are outstanding have now been booked and will all be completed by the end of May.</p> <p>Management have confirmed that the outstanding issues over signing of appropriate contracts are being resolved.</p> <p>Revised implementation date: 30 June 2015.</p>
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11	The LBB contract with YCB should be updated to include a clause requiring all employees / agency staff to have their Right to Work status confirmed.	<p>Category Manager – Adults and Communities</p> <p>31 August 2014</p>	<p>The contract with YCB will be updated to include a clause in relation to requiring all employees/agency staff to have their Right to Work status confirmed.</p>	<p>Partially implemented</p> <p>Last quarter Internal Audit reported that LBB have developed a clause to be included in the contract with YCB which defined the obligations of YCB regarding the verification of employee / agency staff's Right to Work status. The contract variation Instruction had been sent to HB Public Law and it was expected that the contract would be formally issued in in March 2015.</p> <p>In April 2015 management have confirmed to Internal Audit that that a KPI regarding Right to Work has been included in the draft contract; however, a number of other proposed contract variations have subsequently caused a delay formally issuing the revised contract as some of the changes need to go to Policy and Resources Committee for approval.</p>
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				Revised implementation date: 30 June 2015.
12	<p>Passenger Transport Contracts – October 2014</p> <p>PTS and Children’s and Adults & Communities engagement</p> <p><u>Children’s Service – Education and Skills:</u> The draft SLA should be signed off and monitored by the Children’s Service, especially in relation to:</p> <ul style="list-style-type: none"> • monitoring the quality of service, • regular review meetings between PTS and the Children’s Service representative, • reporting SLA KPIs as part of performance and quality monitoring clauses in the SLA. <p>Monitoring should take place more routinely in the interim prior to the development, and approval of the final SLA and the introduction of more robust communication arrangements between SEN and Children established by the Project.</p> <p>Note: The quality of service clause of the</p>	<p>Transportation Projects Consultant – SEN</p> <p>31 December 2014 (SLA completion and approval) Implemented (Review meetings)</p> <p>Interim Head of Care Quality, A&C</p> <p>31 December 2014 (SLA</p>	<p>The draft SLA is being revised as part of the work of the consultant engaged to carry out a thorough review of home to school transport. The Project Initiation Document (PID) for this was signed off by the Director of Education and Skills in August and work commenced on 1st September.</p> <p>Regular Liaison and Review meetings between Education and Skills and Street Scene Passenger Transport Service have been established and the first took place on 18th September. These will monitor performance against the present SLA pending the completion of the revised agreement.</p> <p>An SLA between A&C and Street Scene Passenger Transport Service (PTS) will be developed and approved.</p>	<p>Implemented</p> <p>A SLA (Service Level Agreement) has been formally agreed between Passenger Transport Services (PTS) and the Education and Skills Department. The agreement has been authorised for issue and contains details of:</p> <ul style="list-style-type: none"> • Performance management, including monthly reporting of finances, complaints and statistical data regarding service delivery. The reports will be sent to the Special Educational Needs

	draft SLA covered CRB checking and checks as to whether drivers held valid licences.	completion and approval) 30 September 2014 (monthly liaison meetings)	The Terms of Reference and liaison meetings for monitoring the SLA between A&C and PTS will be established by the 30th September 2014.	<p>(SEN) and Inclusion Manager.</p> <ul style="list-style-type: none"> Annual and monthly review meetings between the PTS and Children's service to monitor the SLA. <p>A SLA between Adults and Communities and PTS has also been agreed and issued. The agreement details</p> <ul style="list-style-type: none"> Performance monitoring, including monthly performance indicators covering vehicle condition, journey times, training of drivers/escorts, complaints and health and safety incidents/accidents. Monthly meetings to monitor the contract. <p>Last quarter (quarter 3,</p>
	<p><u>Adults and Communities:</u> Responsibility for oversight of service delivery and communication between the PTS and Adults and Communities should be clarified and communicated to ensure that the service is delivered to expectations and that opportunities for improvement are identified and communicated. Transport plans should be developed to formally communicate requirements to PTS. Monitoring should be undertaken in terms of an up to date and signed SLA.</p>	Head of Joint Commissioning, A&C)	A&C commissions care for service users from Your Choice Barnet (YCB) under a 5-year contract. PTS is used to transport service users to / from YCB establishments. The YCB contract is managed through regular contract monitoring meetings with a named relationship manager and dedicated contract manager. This forum will be used to monitor any issues relating to the transport of YCB service users, linking into the aforementioned liaison meeting which oversees the Transport SLA between A&C and PTS plus also linking directly to YCB and A&C operational management as appropriate in order to proactively manage or resolve issues particularly where these have safeguarding implications.	
		Commencing October 2014 (contract monitoring meeting)		
		Environment Service Manager – Transport	The 2014 / 15 Passenger Transport Service SLA to be reviewed by Children Services and Passenger Transport management based on	
		31 December 2014		

		(SLA completion and approval)	the TAS (specialist public transport consultancy) review of commissioning through to delivery of PTS commencing 1st October 2014.	2014/15) Internal Audit confirmed that regular meetings were being held between both SEN and Adults and Communities with PTS.
		Environment Service Manager – Transport Implemented	The first Liaison and Review meeting between Children Services and Passenger Transport management took place on 18th September.	
		Transformation Projects Consultant – SEN 31 October 2014	At the meeting PTS presented the Street scene KPI report generated monthly by the PTS management. Transportation Projects Consultant – SEN to provide Environment Service Manager – Transport with comments on items to be included /excluded.	
		Environment Service Manager – Transport 30 September 2014	The first Liaison and Review meeting between Adults & Communities and Passenger Transport management to take place on 30th September.	
		Acting Children's Social Care Assistant Director, Data and Systems Assurance Manager	Review of ICS system commencing in September 2014 to incorporate findings from this audit.	

		30 September 2014		
13	Schools Budgets –Data Protection Finding Website publication of the schools funding The breach should be reported and dealt with in-line with the Council's Data Protection policy.	Head of Finance/Schools Funding Manager Immediate effect	Any breach of data breach will be reported in line with the Council's Data Protection Policy and reported to the Information Management Team as soon as an incident has been identified.	Implemented The breach was reported to the Information Management team as required and the information removed from the website immediately.
	All schools finance information on the website at present should be reviewed immediately and removed where sensitive information is identified.	Head of Finance/Schools Funding Manager Immediate effect	The information published was immediately removed. At the same time all other information was reviewed and no further breaches were found.	
	Management should implement a control whereby all information published in relation to schools budgets is reviewed prior to it being published on the website to ensure the Council are compliant with data protection requirements.	Head of Finance/Schools Funding Manager 31 December 2014	A control has been immediately implemented whereby an independent person reviews and signs off the information prior to publication.	

	<p>All schools budget information published on the Council's website should be published in pdf format only to prevent information in 'hidden tabs' being made available in error.</p>	<p>Head of Finance/Schools Funding Manager</p> <p>Ongoing</p>	<p>Where possible information will be published in .pdf format. However this will not be possible when publishing school budget shares (each School accesses their data by filtering on a dropdown) which will need to remain in excel format. Publication in a .pdf format for this type of data will be possible when there is a facility for schools to login onto their own portal.</p>	
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