

OUTSTANDING RECOMMENDATIONS AUDIT OF FINANCIAL STATEMENTS - NIAO REPORT TO THOSE CHARGED WITH GOVERNANCE

2016-2017

1. Management Accounts

Recommendation	Priority Level	Management Response	Position as at September 2018
The Council should produce detailed management accounts, inclusive of formal explanations for variances, for the SMT and Council members on a regular and timely manner.	1	Agreed - More detail around variances, etc will be included with future management accounts. With regards budget setting a set of Financial Regulations has been produced within which budget setting is included.	More detailed management accounts being produced P2 2018/19 issued to management July, issued to members August, P4 2018/19 currently being finalised for management these accounts including variance analysis and commentary

2. Declarations of Interest

Recommendation	Priority Level	Management Response	Position as at September 2018
The Council should ensure that declaration of interests are received from each Council member in time for the accounts closure.	2	Declarations of Interest are updated on an annual basis, and regular reminders are issued. Currently there are 6 outstanding updates, which are being processed, with the last reminder issued 7 th September. A proposal will be suggested to Audit Committee (December 2017), that an update is reported on a quarterly basis, commencing March 2018.	Updated on an ongoing basis

3. IT

Recommendation	Priority Level	Management Response	Position as at September 2018
The Council should ensure that IT controls are strengthened and that an IT policy is put in place as soon as possible.	2	Accepted - Staff appointment will be completed by November 2017, allowing focus to shift to strategic ICT priorities.	To be implemented September 2018

4. Income

Recommendation	Priority Level	Management Response	Position as at September 2018
<p>The Council should ensure that lodgements are made in a timely manner and also consider using a cash collection service to avoid staff lodging large sums of cash.</p> <p>Updated cash handling procedures should be issued to each outstation.</p> <p>The Finance department should send a weekly report to Building Control Admin to detail which monies have been received so the Tascomi system can be updated efficiently and thereby outstanding debts are clearly identifiable for follow up.</p> <p>Lodgement cover sheets should be prepared to clearly state who has prepared and checked the lodgement and also reconcile to the report of payments received.</p>	2	Accepted – Cash in transit contract to be reviewed therefore additional locations may be added. Cash handling procedures to be updated as part of our finance procedure manual. Council currently progressing Tascomi building control interface with Total mobile which would alleviate many of the building control issues.	Cash in transit tender currently being drawn up, seasonal sites added to collections for summer 2018

5. Leases

Recommendation	Priority Level	Management Response	Position as at September 2018
<p>The Council should introduce a system to highlight rent and leases due for renewal.</p> <p>Council should ensure that it has a signed agreement in place for each of its leases</p>	2	<p>Council has established a Land and Property Sub-Committee, which reports to Corporate Policy & Resources. Work is progressing in terms of development policies and procedures in this area, including the appointment of a land and property officer in January 2018. This is an area of work which will be addressed as a priority.</p>	<p>To be implemented by December 2018 pending resources and competing priorities</p> <p>Land and Property Officer appointed 12th February 2018.</p> <p>Monthly Land and Property Sub-Committee, Minutes to Corporate Policy and Resources then to Council.</p>

6. Expenditure

Recommendation	Priority Level	Management Response	Position as at September 2018
<p>The Council should review its expenditure controls to ensure that they operate as designed including the attachment of appropriate audit evidence to the invoices.</p>	2	<p>Agreed – Procurement Policy under review, will carry out a refresh with implementation of new policy.</p>	<p>To be implemented October 2018</p>

7. Agency Staff

Recommendation	Priority Level	Management Response	Position as at September 2018
<p>Council should endeavour to address their organisational structure issues as a matter of urgency to ensure that normal recruitment practices can commence.</p>	2	<p>Council are progressing with implementing the organization structure as agreed by Council and significant progress has been made. Legacy Councils were mindful of the LGR process, in terms of making permanent appointments, which accounts for a number of posts currently being filled by agency staff. In order to ensure complete delivery, agency staff will remain until structures are populated and at the same time service reviews completed.</p>	<p>Ongoing – Process will be kept under review until the organisation structure is populated and service reviews complete. It is anticipated that the need for agency staff will reduce significantly on completion of both of these processes.</p>

8. Procurement

Recommendation	Priority Level	Management Response	Position as at September 2018
<p>The Council should ensure that they procure services in line with guidance.</p> <p>The Council should issue guidance on the use of single tender actions and keep an up to date list of any single tender actions awarded.</p> <p>The Council should ensure that it applies the lessons learnt from the weaknesses in the management of this contract.</p>	2	<p>Accepted the Council's Procurement Policy and Procedures to be revised and reissued by March 2018 to include guidance on single tender actions.</p>	<p>To be implemented October 2018</p>