Key Findings from 2017/18 Audits

Audit Title	Department	Audit Scope	Findings
Treasury Management	Resources	Banking Arrangements Cash Management and Forecasts Investments, Interest and Borrowing Electronic transfers and reconciliations	We found that individuals responsible for Treasury Management have a clear understanding of what their job role entails and a broad understanding across the team that has been developed during their time with the Council. One high risk finding was identified relating to evidence of approval of the investment decisions made by Treasury staff members.
Payroll	Resources	Starters and Leavers Deductions Variations and Amendments Standing Data Overpayments Management Information Data Protection	A number of areas for further improvement were identified. We identified four high priority, nine medium and one low risk finding. The high risk findings related to: • Net Pay Variance Exception Reports; • Acting up and Honoraria Payments; • Overtime, and • Overpayments.

Pensions Administration	Resources	New Joiners Payments of Benefits Data Collection Reconciliations Contract Management	We found examples of good practice, for example the automated new joiners process ensures that the correct contribution rate is used based on the salary details entered into the payroll system; there is a process to identify deceased individuals and halt their payments in a timely manner; and the pensions officer meets with Capita regularly to ensure that there is communication between the two parties. However, we had four high risk findings regarding: • Retiree payments; • Changes to standing data; • Data submissions, and • Contract Management.
Asset Management	Resources	Governance of Commercial Property Management of Commercial Property	The purpose of this audit was to review the Council's asset strategy 'value generation' objective with a particular focus on how revenues from the commercial portfolio are maximised. Although a strong knowledge base was noted throughout the Commercial Property team, areas for improvement were identified in order to ensure the Council is not overly reliant on the knowledge of key personnel and that there is a consistently a clear trail of actions and decisions taken. We identified one high, four medium and one low risk findings a part of this review There was one high risk finding relating to: Policy and approach to arrears management in relation to Commercial Property including escalation process and timeline to the point of write-off. Outstanding receivables of £707,000 were identified across the portfolio. Of this, £266,000 was over 360 days old. There were four medium risk findings relating to: • written procedures that govern the day-to-day processes; • non-compliance issues relating to leases and rent reviews; • the interface between the property database and Oracle, and • reviewing the use of assets.

IT Disaster Recovery (ITDR)	Resources	Governance Provision Maintenance	The IT Shared Service function has undergone significant technology consolidation activity. It has been able to demonstrate the recovery of IT services during real incidents, however given the further planned changes and expansion in service a number of areas for improvement were identified to ensure the scalability of the ITDR capability. A number of areas for improvement were identified to ensure the scalability of the ITDR capability: • Business Alignment; • ITDR Planning; • IT Risk Register; • ITDR Testing, and • IT Change Management.
Contract Management	Cross Cutting	Service Delivery Governance Risk Management Roles and Responsibilities	The purpose of this audit was to review the design and effectiveness of controls in relation to the Council's contract management with a particular focus on how the Council monitors and manages service delivery and reports any issues. We found that individual Contract Managers had a good knowledge of their contract and how it was managed. They had a clear understanding of the level of contract monitoring currently undertaken and who in the team was responsible for various processes. However, while the contracts seemed well managed at an individual level, there is a lack of overarching contract oversight from senior management. For example, there is no complete list of contracts held by the Council or at a departmental or service area level, there is no formalised and agreed contract management plan and there is no process in place to 'risk rate' the contracts. As part of our review, we also followed up on actions from a 2016/17 Contract Management review. We found that various actions had not yet been implemented or had not been implemented in full. There were two high risk findings: • a complete list of all contracts was not in place;

			• There was no agreed contract management plan in place for both sampled contracts, and segmentation/ categorisation of contracts does not occur before commencement of the contracts. There were three medium findings: • No formal risk assessment has been performed over both sampled contracts; • Not all contract managers were aware of or had read the contract management policies and procedures,; and • Prior year actions from the 16/17 review had not been implemented.

Introductory Tenancies	CWB	Policies and Procedures New Tenancies Tenancy Agreements Management of Tenancies Possession and Notice of Proceedings Termination of Tenancy	Our one high risk finding related to Support for Vulnerable Tenants – evidence was not always retained of a vulnerable tenant being referred to support agencies and no evidence of support being provided. Seven medium risk findings related to: • Eight month review: – not always undertaken within the prescribed timescales; • Monitoring and Evaluation: - no monitoring of the tenancies where the first and second visits were nearly due or were overdue; • Report On Outcome of eight month review visit – the form was not comprehensive and does not include the Housing Officer's decision; • Settling in visits –not always undertaken within the prescribed timescales and the report on the outcome not properly recorded; • Transfers and Mutual Exchange – A number of tenancies were granted to tenants who were not "new tenants"; • Verification of Date of Birth / Identity of New Tenants – Evidence of not always maintained, and • Policy and Procedures – Lack of a policy. Introductory tenancies process document has not been updated to reflect current practice and is not sufficiently comprehensive.

| Voids Contract Management | CWB | Works Undertaken on Voids Contract Management Management Information Policies and Procedures | The purpose of this audit was to review the design and effectiveness of controls in relation to the Council's Voids Contract Management

One high risk finding was made:

- Performance of contractors was not formally monitored as part of the Key Performance Indicators (KPI's) process and reporting of performance is not in place.

The three medium risk findings related to:

- the process to document the rationale for contractor allocations;
- The Voids spreadsheet is updated manually and there are a number of inconsistencies and gaps; and
- The policies and procedures are out of date and do not reflect current processes. |

| Transport Shared Service (TSS) | R&ES | Governance
Service Delivery
Financial Management
Performance Reporting | The purpose of this review was to assess the effectiveness and robustness of the Council's arrangements to govern and manage the delivery of the Harrow and Brent Special Needs Transport Service (HB SNT).There was one high risk finding:

Brent Council has limited oversight of the service. Specific examples included:

KPIs per the Inter Authority Agreement (IAA) were not reported to Brent The incident log where Harrow records all details and progress of any TSS incidents relevant to Brent was incomplete and Brent do not regularly receive a copy Results from monitoring checks over the drivers (from third party) were not provided to Brent No reporting was provided to Brent to confirm that the maintenance of vehicles is performed in a timely manner Quarterly meeting minutes from the SNT Advisory Board meeting were not provided to Brent. |