

Audit Title:	Property Asset Management – 2013/14				Date of Report:	October 2014	
Number of ‘High Priority’ Recommendations:	0	Current Audit Opinion:	2	Previous Audit Opinion:	2	Overall Evaluation (Risk):	Moderate
<u>Key Recommendations</u> There were no key recommendations made as a result of the review.							

Audit Title:	Sheltered Housing: Cash Handling				Date of Report:		August 2014	
Number of 'High Priority' Recommendations:	0	Current Audit Opinion:	2	Previous Audit Opinion:	3	Overall Evaluation (Risk):	Moderate	
<u>Key Recommendations</u> There are no key recommendations made as a result of the review.								

Audit Title:	Debtors Under Query				Date of Report:	September 2014	
Number of 'High Priority' Recommendations:	3	Current Audit Opinion:	N/A	Previous Audit Opinion:	N/A	Overall Evaluation (Risk):	N/A

Key Recommendations

The key recommendations made as a result of the review are:

- Requests by Credit Control for information to support disputed invoices should be provided within a reasonable period, to be determined and published by the department. A failure to respond within a reasonable period should be escalated to the Head of Service and then Board Director to ensure a prompt resolution to disputes.
- Heads of Service Areas should be sent a quarterly report of all invoices that are under query in their department (Crystal Report AR023) by Credit Control. They should be required to respond to Credit Control within a set number of days to provide them with the information required to resolve the dispute and advise them of the action being taken, or to pass the invoices back to be pursued.
- Due to the complexities regarding some of the outstanding debts relating to Property Assets it is recommended that regular meetings are held between a member of the debtors and property sections. This would help to ensure that debtors are kept informed of the latest position regarding these outstanding debts and reduce the need for frequent queries being raised. It is understood that these meetings have been scheduled in as part of the monthly budget monitoring process.

Audit Title:	Highways Asset Management				Date of Report:	October 2014	
Number of 'High Priority' Recommendations:	1	Current Audit Opinion:	3	Previous Audit Opinion:	3	Overall Evaluation (Risk):	Of concern

Key Recommendations

The key recommendation made as a result of the review is:

Progress has started on implementing the key outstanding recommendation from the original report however a considerable amount of work is still required:

The need to formally define the scope of the highways delivery service, performance criteria and relevant roles and responsibilities etc. The reintegration of SCS has had a significant impact on this recommendation and a revised timescale of October 2015 has been indicated by the Head of Service.

Audit Title:	Right to Buy				Date of Report:	August 2014	
Number of 'High Priority' Recommendations:	6	Current Audit Opinion:	3	Previous Audit Opinion:	3	Overall Evaluation (Risk):	Of Concern

Key Recommendations

The key recommendations made as a result of the review are:

- The case identified through testing should be investigated further to determine, whether:
 - The tenant was residing at his owned property or his council tenancy from 1/11/06 to 22/5/08.
 - Whether the housing benefit claimant was residing at the property claimed for, or at the tenant's council property from 1/11/06 to 22/5/08.

The RTB application should be put on hold until the investigation has been completed.

- Checks into the possibility of tenancy fraud should be included as part of the Right to Buy process. This should include the following:
 - A cross-check of data held by Housing Tenancy Fraud Team to establish whether there is any on-going investigation into tenancy fraud at the property.
 - The use of the council tax system to determine whether the applicant/s has been liable for council tax at another property, other than their recorded tenancies during the time which their discount period has been based upon.
 - The use of Equifax credit checking service should be considered, although there is a cost for each check carried out.
 - Other internal data matching can be used to determine whether a fraud has taken place. A decision will need to be made on who will complete these checks. This could be part of a wider decision to set up a corporate fraud team, or allocated to existing departments, such as Internal Audit.
- As part of the Right to Buy process checks should be carried out on the tenant's right to remain in the UK to establish that they are eligible.
- The use of warnings to applicants on the use of their data for the prevention of fraud and money laundering may act as a deterrent for applicants. Therefore this should be included on the Right to Buy pages on the Council's website, or on the application forms. It should be ensured that the downloadable version of the application form contains the Council's fair processing notification.
- Where it is identified that an applicant has single person's discount in place when their Right to Buy application has another person living with them who is not on the tenancy, the application should be refused and the information passed to the Council Tax team for investigation.
- The list of RTB applications provided to the Benefit Fraud Team should include the date that the application was received, to identify whether there is an overlap in a live benefit claim and RTB application being submitted in order to investigate potential benefit or tenancy fraud. It should also contain details of the applicant so that checks can be performed to identify whether they have benefit claims at another property, which could be an indication of tenancy fraud.

Audit Title:	Troubled Families Follow-up				Date of report:	September 2014	
Number of High Priority Recommendations:	N/a	Current Audit Opinion:	N/a	Previous Audit Opinion:	3	Overall Evaluation (Risk):	N/a

Key Findings and Recommendations

In line with good practice a follow up review was conducted to provide assurance that the weaknesses identified in the 2013 audit review of the Troubled Families Programme had been addressed. The Swindon Troubled Families Programme recently underwent an inspection by the Communities and Local Government (CLG) Troubled Families Unit. Following their inspection, the CLG representative stated:

“No significant issues were identified during the spot check process and a good handle on data was demonstrated. I am pleased to say that at this point I am not recommending that you are spot checked again during this phase of the programme”.

The work undertaken by Internal Audit on the quarterly grant claims for Troubled Families has informed this follow up review, which supports the findings of the CLG spot check. Of the ten recommendations made in the initial review, eight have been fully implemented and work is progressing on implementing the remaining two recommendations. No new recommendations were made.

Following the audit of the October 2014 claim, the Council are also expected to achieve the target of turning around 65% of families which will allow the Council to start working on the next Phase of the Troubled Families programme early in 2015. This indicates that significant progress has been made which will continue to be monitored through the quarterly claims which are audited before being submitted to the CLG.

Audit Title:	NNDR3 Claim 2013/14				Date of report:	September 2014	
Number of High Priority Recommendations:	N/a	Current Audit Opinion:	N/a	Previous Audit Opinion:	N/a	Overall Evaluation (Risk):	N/a

Key Findings and Recommendations

The review of the NNDR3 Claim was undertaken at the request of the Board Director: Resources to provide assurance that the NNDR3 return for non-domestic rates was completed correctly and that the figures contained therein accurately reflected the non-domestic rating income received by the Authority during 2013-14.

The Department for Communities and Local Government require Authorities to submit their NNDR3 Returns following the audit of their Financial Statements. The Council's External Auditors confirmed that they would not be conducting a review on the returns this year as they have in previous years.

On the basis of the testing conducted, it was the Auditor's opinion that the data used in the completion of the NNDR3 reflected an accurate position of the Council's non-domestic rating fund collection account and could therefore be signed off by the Board Director: Resources as the authority's Section 151 Officer and submitted to DCLG. The Claim was duly submitted to the Department for Communities and Local Government (DCLG) before their deadline of 30th September, 2014.

Audit Title:	Isambard Community School			Date of Audit:	October 2014		
Number of High Priority Recommendations:	12	Current Audit Opinion:	4	Previous Audit Opinion:	N/a	Overall Evaluation (Risk):	Significant

Key Findings and Recommendations

Isambard Community School is one of two secondary schools serving the Northern Sector of Swindon. With approximately 1,140 pupils on roll, it is a PFI school using a shared site with three other schools, two of which are special schools. The School is currently facing a number of significant changes which will have an influence on how the School operates going forward. These include a change of Head Teacher and Business Manager, falling pupil numbers, falling academic standards, and at the time of the audit, a predicted budget deficit in 2016/17 of £757,000 and the desire to convert to an academy.

The audit review found that the School's three-year financial plan, used for Financial Planning, Budgetary Control and Budget Setting, was not based on robust information and had resulted in inaccurate budgets being set. Significantly, budgets were not supported by an up-to-date staffing review or School Development and IT Development Plans. As a result we have been unable to confirm that effective financial management is in place to enable the School to optimise their use of resources to provide high-quality teaching and learning, and so raise standards and attainment for its pupils.

A review of the Finance / Asset Management Committee minutes identified that Governors undertook Budget Monitoring only three times during the last financial year, with the first indications that a significant surplus was being generated being reported one month before year end. Minutes show that the then Business Manager informed the Governors that the School had permission from the LA to exceed the normal rollover limits allowed for maintained schools, when such authorisation had not been given. There was no evidence of challenge from Governors on how the rollover had arisen or on any discussion and agreement on exactly what it would be used for in later years.

It was not possible to confirm that the Governing Body was fulfilling its statutory responsibilities. A review of the governance arrangements conducted by the Council's Governors Support section in March 2014 raised a number of the issues found in this audit, however action had not been taken to implement recommendations made to improve governance arrangements.

Examination of the School's governance procedures identified that the School's Financial Value Statement had been prepared by the previous Business Manager and issued to all Governors for comment/challenge prior to sign off by the Chair of Governors. The self-assessment did not correlate with the findings from this audit review, in some cases there were significant differences. Meeting minutes showed there was a general lack of challenge and discussion on financial matters by Governors and critically, some key financial decisions were not recorded in the minutes of Governors meetings, including the approval of the budget at the Full Governing Body meeting. Decisions were also made via email outside of the meeting cycle but not subsequently recorded in any minutes.

In summary, the audit review identified a number of fundamental control weaknesses that jeopardised financial stability and performance at the School. The School and Governing Body now need to urgently address the issues raised in the action plan in the audit report. Working in conjunction with Governor Support and the Local Authority, the School's Financial Planning, Budget Management and Governance procedures must be improved significantly to ensure resources can be managed effectively in driving school improvement and financial stability going forward.

Audit Title:	Workforce Engagement				Date of Report:	October 2014	
Number of 'High Priority' Recommendations:	3	Current Audit Opinion:	3	Previous Audit Opinion:	n/a	Overall Evaluation (Risk):	Of Concern

Key Recommendations

The key recommendations made as a result of the review are:

- A common definition for what workforce engagement means in SBC, including its key components and the strategies in place, should be agreed, in order to help with people's understanding of the concept of workforce engagement and of what the overall agenda is for this work. In addition, there should also be a common language used across engagement activity, to ensure consistency across work in this area.
- A robust and formalised programme management methodology should be applied to the People and Development (P&D) work planned for 2014/15 and beyond, to ensure that each strategy or piece of work that has an impact on workforce engagement is aligned, suitably governed and monitored under a single framework.
- Although workforce engagement messages will likely need to be commissioned through the Communications and Insight Team going forward, a communication approach to workforce engagement should be established and agreed using the expertise held between the People and Development Team and the Communications and Insight Team, to maximise the impact of any messages. In particular, the communication strategy should enable sharing of good practice and success stories across the Council.