

AUDIT AND GOVERNANCE COMMITTEE



Report subject	Internal Audit - 1st Quarter, 2023/24, Audit Plan Update
Meeting date	27 July 2023
Status	Public Report
Executive summary	<p>The 2023/24 Internal Audit Plan, including the Core Audit Plan and Anti-Fraud and Corruption Plan, have been developed, including detailed plans for quarter 1 and 2.</p> <p>There are currently vacancies in the team and recruitment of three apprentices is underway to address this. As a result, the high-level Resource and Allocation Plan presented to Audit & Governance Committee in March 2023 has been revised, resulting in 260 less planned days on Core Audit and Assurance Work for this year only.</p> <p>This reduction, 16%, presents a significant challenge for the Chief Internal Auditor to provide both sufficient good quality in year assurance and a similarly robust overall year end opinion. Through a range of contributing adjustments and actions, such as risk based prioritisation, flexibility and goodwill of the internal audit team, reasonable use of alternative forms of assurance and other tactics, it is anticipated that these challenges can be managed in the short term.</p> <p>Progress made on delivery of the 2023/24 Audit Plan for the period April to June 2023 (inclusive) highlights that:</p> <ul style="list-style-type: none">• 5 audit assignments have been completed, of which there were 4 'Reasonable' and 1 'Partial' audit opinions;• 16 audit assignments are in progress. <p>11 high priority recommendation have not been implemented by the initially agreed target date and are reported to Audit & Governance Committee as required by the Audit Charter.</p> <p>Some work undertaken during the quarter related to completion of the 2022/23 Audit Plan, in cases where audits straddled the financial year end of 22/23 and the start of 23/24. The 'Chief Auditor's Annual Report 2022/23' contains the outcome of this work which is being reported separately to this Committee.</p>

Recommendations	<p>It is RECOMMENDED that:</p> <p>Audit & Governance Committee:</p> <ul style="list-style-type: none"> • Note the changes to the High-Level audit resource plan • Note the recruitment plans underway to address vacancies • Note the audits planned for Quarter 2 • Note progress made and issues arising on the delivery of the 2023/24 Internal Audit Plan • Note the explanations provided (Appendix 1) and determine, in the case of High Priority recommendations not implemented by the initially agreed date, if further explanation and assurance from the Service / Corporate Director is required.
Reason for recommendations	<p>To communicate progress on the delivery of the 2023/24 Internal Audit Plan.</p> <p>To ensure Audit & Governance Committee are fully informed of the significant issues arising from the work of Internal Audit during the quarter.</p>
Portfolio Holder(s):	Cllr Mike Cox, Finance
Corporate Director	Ian O'Donnell, Corporate Director for Resources
Report Authors	<p>Nigel Stannard</p> <p>Head of Audit & Management Assurance</p> <p>☎01202 128784</p> <p>✉ nigel.stannard@bcpcouncil.gov.uk</p>
Wards	Council-wide
Classification	For Decision and Information

Background

1. This report updates the High-Level Resource and Allocation Audit Plan for 2023/24 to reflect changes in staff resource. It also provides a summary of progress against the Core Audit Plan for quarter 1 and a summary of the proposed planned work for quarter 2.
2. It details Internal Audit's progress against the 2023/24 Audit Plan for the period April 2023 to June 2023 inclusive and reports the audit opinion of the assignments completed during this period.

3. It also provides an update on any significant issues arising and implementation of internal audit recommendations by management.
4. Some audit fieldwork has 'straddled' both the 2022/23 and 2023/24 Audit Plan years, in other words work began in quarter 4 and was completed in quarter 1; these audits are shown with the following description '2022/23/24'.

Internal Audit and Plan Update

5. The Resource and Allocation Plan presented to Audit & Governance Committee in March 2023 was based on 13.5 full time equivalent staff (shown in column A on the table below). However, the team currently has two vacancies, one level 3 (senior) Audit post has remained vacant despite several recruitment exercises and unsuccessful use of agency staff. Following an internal promotion, the Assistant Auditor post is also vacant.
6. Given the difficulty in recruiting, and for succession planning purposes, the recruitment of three higher level apprentices is underway. Two are for 'core' audit apprentices, who will study for the Level 4 Chartered Institute of Internal Auditors Internal Audit Practitioner, and one is for a counter fraud apprentice, who will be studying for the Level 4 Chartered Institute of Public Finance and Accountancy Counter Fraud Investigator Apprenticeship. It is hoped these roles will be filled from September. Anecdotally, many local government Internal Audit teams are facing a similar recruitment situation and have similarly embarked upon use of apprenticeships, some commentators are suggesting a crisis in the audit sector and a significant skills shortage gap.
7. These apprentice posts can be funded from within the existing budget. The apprenticeship levy will be used to fund the formal apprenticeship training. The posts are fixed term for two years.
8. The impact on the Resource and Allocation Plan is shown below:
 - Column B - Without filling the two vacant positions, there would be a total decrease of 520 days on the plan, 390 of which are direct core audit days.
 - Column C - However, by recruiting the 2 audit apprentices (from September), there would be 300 days of resource, 110 of which would be direct core audit days.
 - Column D - The fraud apprentice would bring 150 days resource, with 45 days available for counter fraud work.

Overall, under the proposals there would be 260 core audit days, (16%) less than the original plan, but 130 days more than with 2 vacancies.

9. For next year 2024/25 (full year), it is anticipated that there would be approximately 1,485 core audit days available with the three apprentices, which is 100 days less than the original 2023/24 budget.

AUDIT ACTIVITY <i>*Figures rounded to nearest 5 days</i>	A	B	C	D	E	F
	2023/24 ORIGINAL PLAN DAYS - March '23 *	Loss of Auditor & Audit Assistant for whole year *	Addition of 2 core audit apprentices for 7 months *	Addition of 1 counter fraud apprentice for 7 months *	2023/24 REVISED PLAN DAYS - June '23* 3 apprentices (A+B+C+D)	Difference (Days) (A-E)
CORE AUDIT & ASSURANCE WORK						
HIGH LEVEL RISKS	700	-215	+20	0	505	-195
KEY FINANCIAL SYSTEMS	200	-70	+40	0	170	-30
KEY ASSURANCE FUNCTIONS	195	-65	+50	0	180	-15
COUNTER FRAUD RISKS	160	-30	0	+20	150	-10
SCHOOLS	60	0	0	0	60	0
PLANNING, ADVICE, FOLLOW UP	270	-10	0	0	260	-10
TOTAL	1,585	-390	+110	+20	1,325	-260
OTHER AUDIT WORK						
INVESTIGATIONS	100	0	0	0	100	0
CONTINGENCY WORK	20	0	0	0	20	0
GRANT CERTIFICATION WORK	45	0	0	0	45	0
FINANCIAL REGULATIONS COMPLIANCE	20	0	0	0	20	0
TRANSFORMATION & EFFICIENCY	35	0	0	0	35	0
TOTAL	220	0	0	0	220	0
CORPORATE ASSURANCE WORK						
CORPORATE FRAUD	125	0	0	+45	170	+45
FREE EARLY EDUCATION	70	0	0	0	70	0
FUNDING AUDITS	30	0	0	0	30	0
OTHER CORPORATE ASSURANCE WORK	225	0	0	+45	270	+45
TOTAL						
GOVERNANCE WORK						
CORPORATE MANAGEMENT & LIAISON	70	0	0	0	70	0
MEMBER LIAISON	65	0	0	0	65	0
AGS (Annual Governance Statement)	75	0	0	0	75	0
TOTAL	210	0	0	0	210	0
IA SERVICE MANAGEMENT WORK - TOTAL including: 1-2-1s, recruitment, performance management, audit development	410	-25	+35	+10	430	+20
NON-PRODUCTIVE TIME						
LEAVE	550	-80	+40	+20	530	-20
SICK/DOWNTIME	55	-10	+5	0	50	-5
TRAINING & CPD	135	-15	+110	+55	285	+150
TOTAL	740	-105	+155	+75	865	+125
TOTAL DAYS	3,390	-520	+300	+150	3,320	-70

10. The Public Sector Internal Audit Standards, as embodied in the BCP Council Internal Audit Charter, require the Chief Internal Auditor to report to Audit & Governance Committee 'on any resource concerns that my impact upon the delivery of the annual audit opinion'.
11. A reduced core audit resource will undoubtedly be a significant challenge to provide both sufficient good quality in year assurance and a similarly robust overall year end opinion. Through a range of contributing adjustments and actions, such as risk based prioritisation, flexibility and goodwill of the internal audit team, reasonable use of alternative forms of assurance and other tactics, it is anticipated that these challenges can be managed in the short term.
12. The option of a formal 'Limitation of Scope' annual opinion is available to the Chief Internal Auditor, but this is very much a last resort and has serious knock on consequences in terms of public reporting. Such an opinion is unlikely at this stage, the remedial actions and adjustments outlined above should be sufficient to avoid such a scenario. Future quarterly reports will keep the A&G Committee appraised of the situation going forward.

Delivery of the 2023/24 Internal Audit Plan – Quarter 1 review

13. 5 audit assignments have been fully completed in quarter 1 of 2023/24 (Apr-Jun 23) as outlined below:

2023/24 Audits Completed

	Service Area	Audit & scope	Assurance Opinion	Recommendations		
				High	Med	Low
1	Environment	Coroner & Mortuary Service Review (2022/23/24 audit) ➤ Governance arrangements, including compliance with Agreement ➤ Financial & Budget Management	Reasonable	0	0	3
2	Adult Social Care	Brokerage (2022/23/24 audit) – Homecare, Residential & Hospital Discharges ➤ Brokerage process including <ul style="list-style-type: none"> ○ Notification of case ○ Fairness of allocation ○ Capacity checks ○ Use of block contracts ○ Declared rate ○ Decision record ○ Authorisation ➤ Placements outside of the procured suppliers register ➤ Placement end dates ➤ System access	Partial	2	7	1

3	Adult Social Care	Corporate Safeguarding (2022/23/24 audit) <ul style="list-style-type: none"> ➤ Vetting processes (Councillors) ➤ Safeguarding arrangements for Partners, Volunteers and Commissioned Services 	Reasonable	0	4	0
4	Commercial Operations	Civil Enforcement <ul style="list-style-type: none"> ➤ Civil Enforcement Officer (CEO) Personal Safety ➤ CEO Personal Welfare Facilities ➤ Use of Body Worn Cameras ➤ Allocation of CEO resources ➤ CEO Induction & training ➤ Raising of Concerns 	Reasonable	0	7	8
5	Finance	Housing Benefit and Council Tax Reduction Scheme <ul style="list-style-type: none"> ➤ Changes to legislative requirements ➤ Overpayments ➤ Follow up of outstanding recommendation re reconciliation 	Reasonable	0	1	0
Total Recommendations				2	19	12

Key:

- **Substantial Assurance** - There is a sound control framework which is designed to achieve the service objectives, with key controls being consistently applied.
- **Reasonable Assurance** - Whilst there is basically a sound control framework, there are some weaknesses which may put service objectives at risk.
- **Partial Assurance** - There are weaknesses in the control framework which are putting service objectives at risk.
- **Minimal Assurance** - The control framework is generally poor and as such service objectives are at significant risk.

14. There was one 'Partial' assurance audit report issued during the quarter as follows:

Adult Social Care – Brokerage Procurement - note – reported in summary as part of the Chief Internal Auditors Annual Opinion; further details reported below:

Ten recommendations (2 high, 7 medium and 1 low) were made in this Audit Report which resulted in a 'Partial Assurance' audit opinion. The following issues were found:

- There were some instances of Residential Care placements where social workers had by-passed the Brokerage Service and had liaised directly with providers to make placements (high).
- Homecare Booking forms & Residential Care Letters of Agreements were not always completed or signed (high).
- There is no ASCC Brokerage Strategy/Policy to clearly outline the Services objectives, the approach for selecting providers for placements, roles, and responsibilities and how the service are linked to delivering the Adult Social Care Strategy and the wider Corporate Strategy (medium).

- Procedures do not state how the service seeks to fairly select providers for placements where multiple providers are available. Old procedures are still retained on the network area. Some specific improvements to procedures could be made (medium).
- The Scheme of delegation does not include authorisation requirements for off-framework placements or spot purchases over the agreed BCP rates. Authorisation was not always in place to support that additional expenditure (medium).
- The approved rates for Block Bed Bookings (BBB) are significantly higher than the approved BCP Rates for spot purchasing bookings (medium).
- There is no central record of daily waiting list emails sent to providers (medium).
- SharePoint or officer outlook inbox's, which may result in inefficiencies in gathering the relevant information needed to make a placement (medium).
- Legacy Care Director information is not always attached to relevant Mosaic file (medium).
- Mosaic is not used to drive processes as there is heavy use of spreadsheets and use of specific folders within outlook to manage information (low).

Recommendations to address the issues have all been agreed with management and target dates have been set to ensure implementation.

15. The status of further audits in progress (Apr-Jun 2023) is outlined below:

2023/24 Audits In Progress (Quarter 1 Plan)

	Service Area	Audit	Progress
	Planning & Destination	Developer Contributions (2022/23/24)	Draft report
	Children's Services	Business Planning & Performance Management – Children's (2022/23/24)	Draft report
	Housing & Communities	BCP Homes Governance Review (2022/23/24 audit)	Drafting report
	Adult Social Care	Managing Other People's Money (2022/23/24)	Drafting report
	Environment	Bereavement Services Income	Fieldwork
	Corporate Parenting	Care Leavers Offer	Fieldwork
	Commissioning	Brokerage and Contracts	Fieldwork
	IT & Programmes	Disaster Recovery	Fieldwork
	People & Culture	Scheme of Delegation Compliance	Fieldwork
	Finance	Council Tax (Data Analytics Review)	Fieldwork
	Finance	Financial Assessment	Scoping
	Children's Services	Agency Staffing	Scoping

	Housing & Communities	Housing Tenancy (Counter Fraud)	Scoping
	Finance	Council Tax (KFS)	Scoping
	Finance	Non Domestic Rates (KFS)	Scoping
	Adult Social Care	Health and Safety and Fire Safety (KAF)	Scoping

Key:

- **KAF** - Key Assurance Function
- **KFS** – Key Financial System

16. Quarter 2 planned audits are shown below. As the audit plan is risk-based, it may be that the plan is amended, for example, following emergence of higher risk areas.

**2023/24 Audits Planned for Quarter 2
(July-Sept 23) - Provisional**

	Service Area	Audit
	Corporate Parenting	Agency Staffing (commenced)
	Corporate Parenting	Section 17 (commenced)
	Finance	Business Continuity (Core KAF) (commenced)
	Finance	Treasury Management
	Finance	Treasury Management (Counter Fraud)
	Adult Social Care	Hospital Discharge Service (D2A)
	Finance	Financial Management (Core KAF)
	People & Culture	HR (Core KAF)
	Finance	Main Accounting (KFS)
	IT & Programmes	Network Security – PSN & Cyber
	People & Culture	Payroll
	Schools	Mudeford Infants
	Customer, Arts & Property	Business Planning & Performance Management – Customer Services (KAF)
	Infrastructure	Road Safety
	Commercial Operations	Seafront Recruitment
	Finance	Creditors
	People & Culture	Employee Claims Analysis (Data Analytics Review)
	Marketing, Communications & Policy	Environmental Sustainability (Core KAF)
	IT & Programmes	Project Management (Core KAF)

Significant Issues Arising and Other Work

17. The Council's Annual Governance Statement (AGS) for 2022/23 has been compiled, which is being presented separately to this Committee (within the Council's Statement of Accounts), and the Local Code of Governance has been updated.
18. Internal Audit have carried out work to provide assurance on compliance with the Declaration of Interests, Gifts & Hospitality Policy, specifically the necessary completion of Form 2's by Tier 4 and above officers. This is being reported separately to the Audit & Governance Committee at this same meeting under the 'Annual Review of Register of Declarations of Interests, Gifts and Hospitality by Officers Report 2022/23' report.
19. The internal audits for the Charter Trustees for Bournemouth and the Charter Trustees for Poole were completed during the quarter. These are reported directly to the respective Charter Trustees Committees in June, who are asked to consider the internal audit report and the management response to recommendations. The internal audit also forms part of their wider Annual Governance and Accountability Return (AGAR).
20. The team has completed six Early Education Funding audits, where the nurseries are reviewed to ensure compliance with the Code of Practice as required by their provider agreement. Recommendations have been made to ensure full compliance with the agreement, but no significant issues have been identified.
21. Work has commenced on the Single Person Discount (SPD) project to increase Council Tax yield by systematically reviewing all National Fraud Initiative (NFI) data matches that may indicate fraud or error in relation to residents claiming SPD. Discounts will be removed where fraud or error is found, and the national penalty charge (£70) will be levied for failure to notify the Council of a change in circumstances. Progress on this project will be reported to future meetings of A&G Committee.
22. There was 1 significant investigation, led by Internal Audit, undertaken at the request of the Chief Operations Officer. The investigation was requested following financial losses sustained by the Council of approximately £175,000 in a restaurant pop up venture during part of the summer of 2022. The title of the investigation was:

Commercial Operations - Seafront: Review of Pop-Up / Temporary Activities Incorporating Bayside Restaurant

Eighteen recommendations were made. Due to the nature of the review, assurance ratings were given across the sixteen agreed scope areas as follows - Minimal (3), Partial (11), and Reasonable (1)

(utilising the agreed assurance ratings adopted by Internal Audit in line with the agreed Audit Charter).

It should be noted that the investigation found no evidence of fraud.

The final investigation report has only recently been issued and service management are in the process of implementing the agreed recommendations and considering any further actions that may be necessary. Once any further management actions are determined, A&G committee will receive a further update which will include a summary of the issues found and how the implementation of recommendations has progressed.

Implementation of Internal Audit Recommendations

23. Following an update to the Audit Charter, which was agreed by this Committee, it is now a requirement that all High Priority recommendations that have not been implemented by the initially agreed target date will be reported to the Audit & Governance Committee. There were eleven recommendations across seven audits which met the criteria, they are shown in detail in Appendix 1.
24. This update to the Audit Charter and transparent reporting of outstanding High Priority recommendations was recommended to ensure the Committee is fully appraised of the speed of implementation to resolve, by priority, the most significant weaknesses in systems and controls identified.
25. In all cases, Internal Audit have received assurance that work is on-going to address the risks highlighted by the recommendations and reasonable explanations, explaining delays, have been received. Audit & Governance Committee are asked to review Appendix 1, along with the explanations and the revised timescales. Relevant Directors can be asked for further explanations as required, explanations can be in written or verbal form, as the Committee deems appropriate for each individual circumstance.
26. All remaining High Priority recommendations followed up during the period (in line with the agreed action plan) were found to have been satisfactorily implemented by management.
27. The Audit Charter also requires any management proposed revisions to the implementation dates of Medium Priority recommendations to be agreed by the Chief Internal Auditor, who will report to Audit & Governance Committee any such requests considered unreasonable. There are no such instances this quarter.

Options Appraisal

28. An options appraisal is not applicable for this report.

Summary of financial implications

29. The BCP Internal Audit Team budgeted cost for 2023/24 is £742,600 (subject to any final pay awards) which is inclusive of all direct costs including supplies & services but does not include the apportionment of central support costs (which are budgeted in aggregate and apportioned to services as a separate exercise). The budget cost above is inclusive of the Head of Audit & Management Assurance who manages other teams.
30. The net impact of the staff vacancies and recruitment of apprentices in 2023/24 will be a forecast underspend of about £25,000. Full year costs in 2024/25 of the proposed apprentices can be met from within the existing MTFP base budget.

Summary of legal implications

31. This report gives an opinion on the adequacy and effectiveness of the risk, control, and governance systems in place.

Summary of human resources implications

32. The BCP Internal Audit Team is budgeted to consist of 13.5 FTE for the 2023/24 financial year. As explained above, two FTE posts are vacant and recruitment for three apprentices is underway.

Summary of sustainability impact

33. There are no direct sustainability impact implications from this report.

Summary of public health implications

34. There are no direct public health implications from this report.

Summary of equality implications

35. There are no direct equality implications from this report.

Summary of risk assessment

36. The risk implications are set out in the content of this report.

Background papers

None

Appendices

Appendix 1 – High Priority recommendations – original target date for implementation not met.

Appendix 1 - Table showing High Priority recommendations where the original target date for implementation was not met

Recommendation	Original Target Date	Explanation from Director	Revised Target Date	Internal Audit Comments
Finance – Debtors (KFS) 2022/23				
<p>The reasons behind differences in outstanding debt between council debt management systems are used to inform decisions about future debt management processes, including no longer using Radius for new debts and the development of any new system.</p> <p>A targeted plan to address older debts on Radius should be enacted.</p> <p>Undertake a cost-benefit analysis of deploying additional resources to the recovery process.</p>	30/3/23	<p>The target date and proposed actions were superseded by the Quote to Cash delivery project. The go live date for MS Dynamics is now September 2023 with debt in legacy systems being reviewed prior to conversion.</p> <p>A targeted plan to reduce debt & write off old debt is in hand with approval from S151 officer.</p> <p>The debtors' teams for legacy Bournemouth and SVPP have been brought together in one service – BCP Income & Debtors with a Service Head as from 17 April. Through the development and implementation of the MS Dynamics system aligned recovery processes will be embedded and the debt policy for BCP will be shared with service areas in communications during implementation and reviewed further during 2023/24.</p>	30/9/23	<p>Actions underway to reduce risk.</p> <p>Revision to target date necessary due to implementation timescale for the new system.</p>
Adult Social Care – Social Work Standard of Practice 2022/23				
<p>Management should ensure that annual appraisals are carried out for all staff.</p>	29/4/23	<p>All Head of Service and Service Managers have been reminded that all staff require a year end review. Assurances are currently being collated that all end of year reviews have been completed.</p>	31/7/23	<p>Assurance is being sought that all appraisals have been completed.</p>
Education & Skills - Alternative Provision (AP) 2022/23				
<p>The Council must ensure that all needs assessments and intervention plans are carried out, retained, and reviewed for all AP placements.</p>	30/5/23	<p>A workstream is being developed on SCM which will enable improved quality assurance of needs assessments and intervention plans. Service redesign will further review and improve systems relating to needs assessment and intervention plans at time of placement.</p> <p>In the interim, use of Education Health & Care Plans (EHCP)/ Placement agreements to record needs of Child, although quality of assessments needs improving.</p>	31/8/23	<p>Full service redesign is underway to address the risk.</p> <p>Interim actions are in place to help mitigate the risk.</p>

Recommendation	Original Target Date	Explanation from Director	Revised Target Date	Internal Audit Comments
The adequacy of placement monitoring should be reviewed in order to be able to confirm that a young person placed in Alternative Provision is receiving an equivalent education to that of mainstream schools.	30/5/23	<p>Through the service redesign, we will ensure that all placements are monitored regularly and thoroughly.</p> <p>In the interim, staff have been redeployed staff to increase capacity in AP team. However, need more capacity to fully achieve recommendation. All pupil's attendance is reviewed. Children placed at AEP schools / Pupil Referral Unit (PRU) who are identified as at risk or who are not successfully engaging with their placement are reviewed in detail with the AEP on a termly basis. Weekly reports are received from unregistered AEP regarding children placed with them. Whilst it is recognised this is not sufficient, given current capacity limitations the approach to prioritise has been chosen whilst a service review is underway</p>	31/8/23	<p>Full service redesign is underway to address the risk.</p> <p>Interim actions to are in place to prioritise children identified as risk or non-engaging.</p>
<p>The need for the multiple recording of data across systems should be reviewed and plans to consolidate systems should be expedited.</p> <p>In the meantime, the High Needs Spreadsheet should be reconciled to Synergy on a regular basis and all Alternative Provision data ensured to be consistent across all systems.</p> <p>In particular, cases where the start date is later on Synergy than on the High Needs Spreadsheet should be reviewed to ensure that there have been no overpayments.</p>	29/4/23	<p>SCM workflows to ensure all data is held on synergy and is accurate are being developed. Longer term, working with Commissioning and Finance Teams to undertake at full migration to Synergy.</p> <p>In the interim, reconciliations between Synergy and the HNS are undertaken periodically to confirm accuracy.</p>	31/8/23	<p>Full service redesign is underway to address the risk.</p> <p>Interim actions are in place to help mitigate the risk.</p>
<p>The budget assumptions for the number of placements at Christchurch Learning Centre should be reviewed to ensure they are reasonable.</p> <p>The contractual arrangements between the Council and Christchurch Learning Centre should be reviewed to ensure that the Centre is incentivised to take the young people it receives funding for.</p> <p>The need to pay the local top up should be reviewed in light of the actual numbers of pupils placed compared to</p>	30/5/23	<p>A review of sufficiency and commissioning arrangements will be undertaken as part of the service redesign by our commissioning team and arrangements put in place to ensure the effective monitoring and efficient utilisation of AEP places.</p> <p>In the interim, operational processes are in place to monitor the number of pupils at AEP Academy / PRU at any time. The number of places at the AEP Academies are reviewed on an annual basis. Our finance officer will request that the DfE adjust base funding accordingly.</p>	31/8/23	<p>Full service redesign is underway to address the risk.</p> <p>Interim actions are in place to help mitigate the risk.</p>

Recommendation	Original Target Date	Explanation from Director	Revised Target Date	Internal Audit Comments
central government funding for all Alternative Provision settings.				
Children's Services – Capital Programme 2021/22				
<p>The Children's Service Capital Programme Strategy should be updated to ensure it considers the following:</p> <ul style="list-style-type: none"> Aims & objectives. Roles, responsibilities and accountabilities. How it links to the Council's Big Plan and other relevant corporate strategies. Governance arrangements, including oversight of the Capital Programme Board linking into the corporate capital and reporting processes Links to policies such as condition survey, including frequency and grading criteria used and impact on budget setting process, Capital Project Methodology. How it links to the SEND Strategy and any other additional funding received. 	30/6/22	<p>Now entering phase 2 of improvement project which includes the following aims:</p> <ul style="list-style-type: none"> Recruitment of a permanent team of client-side project professionals. Embedding new ways of working and in particular the management of change, maintaining project control and setting expectations working with our school partners Intensifying the pace and momentum in the development of schemes A programme development plan in order to manage, execute and control various programmes of work that make up the capital programme with an emphasis on SEND Programme of Expansion and Planned Maintenance. <p>Phase 2 was due to be complete in May 2023 though delays with the work to restructure the team mean that interim arrangements for the management of schemes are continuing. The restructure will be considered by SLT at the end of July 2023 and includes provision for a Programme Manager, School Project Officer and Assistant roles and a SEND Capital Lead. The roles that make up the team will be evaluated in July 2023. It is planned that the new structure will be implemented as soon as the formal approval of the structure and HR activities are complete.</p>	31/8/23	Improvement project underway to address the risks.
<p>The Service should ensure that the following improvements to the programme governance arrangements are made:</p> <ul style="list-style-type: none"> Determination of a Programme Manager responsible for the delivery of the Children's Services Capital Programme. Implement a standard capital project methodology which should include a business case / feasibility study, a project gateway process and a clear approval process. Formalisation for the commissioning of project managers. Clarifying the Team / Board responsible for 	30/6/22	<p>Phase 2 will help create the right conditions for the work identified in the Delivering Better Value programme. There are further actions that are funded by DBV that will help support the delivery of the SEND programme of expansion, the graduated support schemes, reactionary SEND schemes and schemes that promote inclusion practice in our mainstream schools.</p>	31/8/23	

Recommendation	Original Target Date	Explanation from Director	Revised Target Date	Internal Audit Comments
receiving regular capital programme and project updates and in what format.				
Finance - Estates (Asset Management KAF) 2021/22				
<p>It is recommended that the assets identified from the results of the Estates Framework Project should be transferred to the Technology Forge System within a defined and reasonable timescale that is approved by Corporate Property Group.</p> <p>It is recommended that once the asset information is updated within Technology Forge, regular reconciliations are undertaken between Technology Forge and other Council systems which hold asset information.</p> <p>It is recommended the process for Estates receiving relevant asset information is clarified and services are informed of their responsibilities. Non-compliance should be escalated accordingly.</p>	29/9/22	<p>Significant progress has been made on this recommendation since our audit and the project to transfer legacy Poole data to TF Cloud is complete but resourcing challenges have caused delays.</p> <p>Additional resource will need to be recruited to enable the remaining data (legacy Christchurch) to be transferred to Technology Forge Cloud. Progress on this action is being monitored through regular meetings of the Virtual Corporate Landlord Group comprising the Director of Finance (Corporate Property Officer), Director of Customer, Arts & Property, Head of Estates and Asset Investment Manager.</p>	29/9/23	Progress is now being monitored via the Virtual Corporate Landlord Group.
Customer, Arts & Property – Bournemouth Neighbourhood Housing Assets Health & Safety Compliance 2021/22				
<p>R1. Asset Register & Compliance Record Keeping Systems</p> <p>(a) Develop a single housing asset register and associated centralised repository for supporting documentation.</p> <p>(b) Replace paper forms with e-forms to reduce manual data input. Ensure that automatic interfaces are in place for existing e-forms to minimise manual intervention.</p> <p>(c) Clarify and strengthen data ownership and control arrangements for third party portals as required, including measures to minimise potential loss of data.</p> <p>(d) Review, update and document system access permissions and arrangements, restricting access to the</p>	30/3/23	<p>The intention is to put a single Housing system in place but this will need to be fully tendered so is unlikely to be implemented before April 2025. Keystone is being used in the meantime (albeit that the Bournemouth and Poole neighbourhoods use it for different purposes) and a decision will be made as to its future as part of the new system project.</p> <p>Progress against this action is being tracked via regular meetings of the Virtual Corporate Landlord Group which include the Director of Finance (Chief Property Officer), the Director of Customer, Arts & Property, the Head of Estates and the Asset Investment Manager in collaboration with the Director of Housing & Communities.</p>	29/4/25	Progress is now being monitored via the Virtual Corporate Landlord Group.

Recommendation	Original Target Date	Explanation from Director	Revised Target Date	Internal Audit Comments
<p>minimum required for each role and ensuring that appropriate cover arrangements are in place.</p> <p>(e) Consult with ICT on the ongoing corporate transition to Surface Pro laptops and put arrangements in place for pre-rollout testing of existing systems and applications.</p>				
Customer, Arts & Property - Facilities Management (Asset Management KAF) 2020/21				
<p>(a) A building manager (and deputy) is formally appointed for each corporate building as 'strategic owner' to act as the single point of contact and liaison with the corporate FM Team and oversee the operation of building-related H&S compliance activities and associated budgeting and record keeping;</p> <p>(b) Assurance statements are developed for completion by building managers to clarify buildings-related H&S compliance requirements, ensure that they are met and identify any gaps which need to be addressed; and</p> <p>(c) Proportionate and robust compliance record-keeping arrangements are put in place including onward reporting to the corporate FM Team to allow asset register records to be updated and facilitate collation, analysis and reporting at corporate level;</p> <p>(d) A process is put in place whereby services can escalate any significant and/or urgent issues relating to the buildings under their management to the FM Team for resolution and onward reporting to Corporate Property Group as appropriate.</p>	30/10/21	<p>Progress has been made on developing a single point of responsibility for corporate buildings and a number of staff involved in property management have now transferred from Children's Services to Facilities Management.</p> <p>Record keeping is now centrally held in TechnologyForge Cloud (with the exception of legacy Christchurch properties, the data for which is currently in the process of being transferred) and processes are in place to liaise with key building contacts that remain in services.</p> <p>There is still work to do to centralise property budgets and work is underway to progress this in conjunction with Finance and individual services.</p> <p>Progress on this action is being tracked via regular meetings of the Virtual Corporate Landlord Group which includes the Director of Finance (Chief Property Officer), the Director of Customer, Arts & Property, the Head of Estates and the Asset Investment Manager.</p>	31/10/23	<p>Whilst this recommendation is outstanding from 2020/21, progress is now being monitored via the Virtual Corporate Landlord Group.</p>