

Summary of Audit Findings

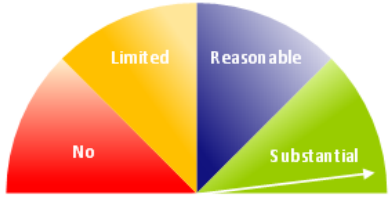
The following are the Internal Audit reports, of each audit review finalised, since the last Committee update

Accounts Payable – Final Report – April 2024




Audit Objective

To ensure the Council has an effective control framework in place for its Accounts Payable / Creditor's function.

Executive Summary

	Assurance Opinion	Management Actions		Organisational Risk Assessment	Low
	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Priority 1	0	Fraudulent, invalid, or late payments are made resulting in financial loss and / or reputational damage.	
		Priority 2	0		
		Priority 3	0		
		Total	0		

Key Conclusions

	<p>A New Supplier Form must be completed for all new suppliers. Once processed in Business World, a different Accounts Payable (AP) Officer checks the bank details, email address and CIS status are correctly input. The Accounts Payable/Receivable Team Leader (APRTL) does a final check of all new suppliers. This is all evidenced using a checklist.</p>	<p>Audit Scope</p> <p>Meetings were held with the Publica Accounts Payable and Receivable Team Leader (APRTL) and the Publica Accounts Payable and Receivable Coordinator (January 2024), and the creation, amendment and management of the creditor master file were discussed.</p> <p>A random sample of new suppliers and supplier amendments (April 2023 – January 2024) were selected to ensure prescribed processes had been followed.</p> <p>We also undertook some data analysis work to identify the number of transactions where purchase orders were used.</p>
	<p>All new suppliers' names and bank details are checked by AP against Publica's fraudulent checklist.</p> <p>An Amendments Form must be completed for any changes to a supplier in Business World. All amendments are checked by AP with the supplier via the phone number on the account in Business World; this is recorded on the amendments form.</p> <p>Once an amendment has been confirmed and made on the system, a different AP Officer checks it for accuracy. The APRTL does a final check to ensure the amendment is correct. The Fraudulent Checklist is checked for any amendments to name and bank account.</p> <p>The APRTL monitors all amendments to suppliers in Business World using the AG58 report.</p>	
	<p>We received satisfactory responses to all our testing queries. Evidence was seen to support all new suppliers and supplier amendments had been processed in accordance with the processes outlined to us.</p>	

Other Relevant Information

The total number of new suppliers set up across all clients during the period reviewed was 427. The total number of amendments made to existing suppliers across all clients during the period reviewed were 190.

We found 69% of 3807 transactions processed on G3 client were not supported with a purchase order. Ordering goods and services via purchase orders aids budget monitoring and mitigates against overspends. Officers should be reminded to use purchase orders for all payments where appropriate to ensure they are adhering to best practice, and the transaction is legally protected by the terms and conditions of a purchase order.

Planning Validation – Final Report – April 2024

Audit Objective

To provide assurance planning applications are validated in accordance with legislation.

Executive Summary



Assurance Opinion

A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Management Actions

Priority 1	0
Priority 2	0
Priority 3	0
Total	0

Organisational Risk Assessment

Low

Our audit work includes areas that we consider have a low organisational risk and potential impact.

Key Conclusions



Delays in validating an application could result in customer complaints or the refunding of planning fees if the application is not determined within the required timeframes. An internal target of 10 working days has been set to validate an application and then determination timeframes commence. We found that the actual days to process an application to validation is not recorded due to system limitations, but monitoring is undertaken to ensure applications are processed promptly. This helps manage customer expectations as well as caseloads. From our testing, we can confirm the 10 working days target is being met.



Good progress has been made to the suggestions and observations identified in the 2022 Position Statement. Validation checklists and service documentation have been reviewed and are up to date. Staff training is up to date. Comprehensive procedural guidance is in place allowing the team to validate applications across the 3 Publica partner councils. Testing identified some administrative matters; additional check process has been introduced to ensure these are addressed promptly.

Audit Scope

Control areas reviewed included:

- Planning validation process/procedures to include service documentation.
- Performance monitoring and reporting arrangements.
- Staff training
- Progress on observations/areas for consideration identified in the 2022 Position Statement

The test period was April 2023 – February 2024. Data analysis was undertaken to identify trends/anomalies.

Discussions were held with officers involved with the planning validation process, and evidence sought to support statements made.

Other Relevant Information

We noted some Validation Checklists included website links to download bio-diversity documentation, but all 3 Publica partner councils' websites were listed. Whilst the documentation may be identical for each council, it may be prudent to consider sovereignty matters especially in the current circumstances.

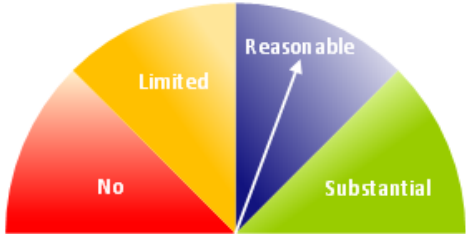
Data analysis identified the Council received 296 FUL planning applications during the test period, of these 276 were validated. The remaining 20 were either withdrawn by the applicant or returned due to insufficient information or lack of the correct fee being submitted.

Risk Management (Framework and Process) – Final Report – March 2024





Audit Objective

To provide an assessment of the current risk management framework arrangements of Publica and its partner Councils.

Executive Summary

	Assurance Opinion	Management Actions		Organisational Risk Assessment	Medium
	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Priority 1	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact.	
		Priority 2	1		
		Priority 3	2		
	Total	3			

Key Conclusions

Key Conclusions		Audit Scope
	There is no evidence of Risk Management training being provided to Audit and Governance Committee. For staff, Risk Management e-learning is currently only a temporary provision; The temporary e-learning available is a cut and paste exercise of the Risk Management strategy. There is no data that confirms additional training has been offered to staff.	This audit reviewed the effectiveness of the Authorities Risk Management arrangements. This included a review of the following areas: <ul style="list-style-type: none"> • Risk Management Strategy and Framework; • Risk Maturity; • Risk Management training and awareness – this will include a survey of a selection of officers across the Council to assess the embeddedness of Risk Management; • Corporate, service, project, and partnership risk registers; and • Risk reporting and escalation.
	There is limited evidence that demonstrates Risk Owner’s liaison with Insurance Services. The risk is that insurance policies may be invalidated if incorrect risk information is shared with the Council’s Insurers.	
	As a matter of good practice, a Risk Maturity Self-Assessment should be conducted regularly; This has not been completed for WODC. The benefit of this is that it provides a structured approach for an organisation to evaluate their capabilities, which helps to drive improvements.	
	The Joint Risk Management group that was regularly attended by retained officers has recently undergone a redesign which has allowed for further enhancements. Management of the Council’s Risks are now individually focussed. Quarterly Risk updates are also presented at Audit and Governance Committee.	

Summary

Our review of the Risk Management Framework and Process demonstrates that work is underway to embed risk management within West Oxfordshire District Council (WODC). The Risk and Opportunity Management Strategy is robust in respect of the information it currently holds. However, it does not include a defined Risk Appetite, although a standardised risk tolerance is in place. Publication of a Risk Appetite Statement within the Risk and Opportunity Management strategy could be considered by the Council. The advantage of this approach lies in equipping staff members with the ability to adeptly handle various types of risks without obstructing the pursuit of Strategic Objectives.

It was also identified that the Service Planning template did not hold information relating to risk. We can confirm that Risk has now been added to the Service Planning template.

The Council does not have Risk Champions. Risk Champions assist with embedding Operational Risk Management as they operate as a point of contact in each service area. Moving forwards, this is something that could assist with embedding Operational Risk Management further.

We conducted a total of three surveys on Strategic and Operational Risk Management and Peer Benchmarking. The information provided in these surveys have informed the Conclusions detailed above along with the Management Action Plan.

