

West Oxfordshire District Council

Report of Internal Audit Activity

November 2024

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Internal Audit Definitions

Audit Plan Progress

Finalised Audit Assignments

Internal Audit Definitions

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- **No**
- **Limited**
- **Reasonable**
- **Substantial**



Audit Framework Definitions

Control Assurance Definitions

No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Reasonable	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.
Substantial	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.

Non-Opinion – In addition to our opinion based work we will provide consultancy services. The “advice” offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance. Consultancy services from Internal Audit offer management the added benefit of being delivered by people with a good understanding of the overall risk, control and governance concerns and priorities of the organisation.

Internal Audit Definitions

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.

Each audit covers key risks. For each audit a risk assessment is undertaken whereby with management risks for the review are assessed at the Corporate inherent level (the risk of exposure with no controls in place) and then once the audit is complete the Auditors assessment of the risk exposure at Corporate level after the control environment has been tested. All assessments are made against the risk appetite agreed by the SWAP Management Board.



Audit Framework Definitions

Categorisation of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors; however, the definitions imply the importance.

	Categorisation of Recommendations
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management
Priority 3	Finding that requires attention.

Definitions of Risk

Risk	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Operational	Appointment of Consultants	Final Report	Mid Reasonable	2	-	1	1	Reported In September
Operational	Accounts Payable – Qtly Review – 2023/24	Final Report	High Substantial	0	-	-	-	Reported In September
Operational	Emergency Planning	Final Report	Low Substantial	1	-	-	1	Report Included
Operational	Members Allowances and Expenses	Final Report	Low Reasonable	2	-	2	-	Report Included
Governance	Data Protection / Breaches	Draft Report						
Operational	Section 106s	Draft Report						
Operational	Human Resources	Draft Report						
Operational	Levelling Up Funding – UKSPF and RESF	Draft Report						
Follow-Up	Procurement Cards	In Progress						
Follow-Up	Taxi Licensing Safeguarding	In Progress						
Operational	Planning Fee Obligations	In Progress						
Core Financial	Payroll	In Progress						
Key Financial Control	Revenues and Benefits – Council Tax and NNDR	In Progress						
Key Financial Control	Revenues and Benefits – Council Tax Benefit and Housing Benefits	In Progress						
Operational	Digital Exclusion	In Progress						
Operational	Leisure and Culture Facilities	In Progress						
Governance	Data Retention	Ready to Start						Change review to become a project facilitated by IA

Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
ICT	3 rd Party ICT Outage	Ready to Start						
ICT	Disaster Recovery – Revenues and Benefits	Delayed						Delayed due to pressures on ICT Team
Grant Certification	Carbon Data 2022/23							
Support / Advisory	Support to Publica Transition Programme Phase 1 - Finance Workstream - HR Workstream - ICT Workstream OnBoarding Meetings	On-Going						
Support / Advisory	Support to Publica Transition Programme. Phase 2 Planning	On-Going						
Support	Business Grant Funding – Aged Debt	On-Going						Quarterly review of Business Grant Overpayment Aged Debts with Head of Service, Counter Fraud and Enforcement Unit for reporting to BEIS
Advisory	Procurement and Commissioning Group	On-Going						
Advisory	Health and Safety Working Group	On-Going						
Advisory	Corporate Governance Group	On-Going						

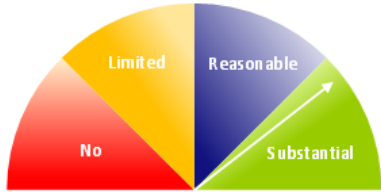
Audit Type	Audit Area	Status	Opinion	No of Rec	Priority			Comments
					1	2	3	
Support	Co-Ordination Team / Emergency Planning	On-Going						
Follow-Up	Follow-Up of Agreed Actions (not included in an audit above)	On Going						
Other Audit Involvement	Working with the Counter Fraud and Enforcement Unit	On Going						
Other Audit Involvement	Management of the IA Function and Client Support	On Going						
Other Audit Involvement	Contingency – Provision for New Work based on emerging risks							

Emergency Planning – Final Report – October 2024

Audit Objective

To provide assurance emergency planning processes are effective and support local communities in an emergency.

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	1
Total	1

Organisational Risk Assessment

Low

Our audit work includes areas that we consider have a low organisational risk and potential impact. We believe the key audit conclusions and any resulting outcomes still merit attention but could be addressed by service management in their area of responsibility.

Key Conclusions



Review of Emergency Planning documentation found most of the links do not work. The Emergency Planning Officer advised this was due to having to move the documents because of migrating to Microsoft 365. All documents will be reviewed to ensure all links work, and the correct file location can be accessed.



- A manual training log is maintained.
- Publica Emergency Planning virtual training sessions are recorded for tactical and operational officers who cannot attend sessions.
- Locality emergency planning meetings are held quarterly and are recorded for officers who cannot attend.
- The Publica Emergency Response Guide (ERG) is on Resilience Direct (RD).
- Emergency planning documentation is held on Teams. Officers are advised they should have the latest version of all relevant documents printed to access in an emergency.
- The Council's Flood Plan is included in the Thames Valley overarching plan.



- The Chief Executive and Monitoring Officer attended a Strategic Co-ordination Group (SCG) training course in October 2024.
- Emergency Planning Officers regularly attend the Local Resilience Forum (LRF). Recent emergency response exercises have been undertaken and debriefing and lessons learnt processes are in place.
- The Emergency Planning Contacts directory was last reviewed in October 2024.
- Emergency Planning Officers delivered REST centre team, Co-ordination team, and Duty officer and Duty manager training in March 2024, and Member training in June 2023.
- Training exercises to test Publica's local emergency response arrangements were held at WODC on 02/10/2024.

Audit Scope

Discussions were held with the Publica Emergency Planning Officer and Publica Emergency Planning Specialist. Documentation and processes in place on behalf of the Council in the following areas were reviewed;

- Emergency plans and procedures - including roles and responsibilities and decision making.
- Training for emergency preparedness.
- Plan testing and training exercises.
- Information sharing with the Local Resilience Forum and communication with the public.
- Debriefing and lessons learnt.

Walkthrough testing of the web-based private network, Resilience Direct was also undertaken, and the Councils Flood Plan was checked to ensure it had been recently reviewed.

Other Relevant Information

Civil contingency roles and responsibilities are not clearly defined in the Council constitution, but the Emergency Planning Specialist advised the Monitoring Officer is looking at this. The Terms of Reference's (ToR) with the LRF do not mention Publica officers acting on WODC's behalf, but the Emergency Planning Specialist advised this is in their service specification. The service specification and the agreement between the Council and Publica will need to be reviewed to reflect any changes to Civil contingency roles and responsibilities following the transition of services back into the council.

We were advised it is difficult to secure places on the appropriate training for key staff and this should be borne in mind in following any changes to Civil contingency roles and responsibilities following the transition of services back into the council. It is imperative that staff are trained for key roles.

There is a risk emergency planning services provided by Publica to the Council may be affected by the Publica transition and impact the ability to fulfil the Council's civil contingency role due to the loss of critical staff. This risk is identified in the Council's strategic risk register. The delivery of emergency planning services must continue to be considered throughout the transition process ensuring the service is adequately resourced and complies with the Council's legal responsibilities.

Members Allowances and Expenses – Final Report – August 2024

Audit Objective

To provide assurance that allowances and expenses claimed by Members are in accordance with West Oxfordshire District Council’s Constitution and HMRC guidelines.

Executive Summary



Assurance Opinion

The review identified significant gaps, weaknesses, or instances of non-compliance. The system of governance, risk management, and control requires improvement to effectively manage risks to the achievement of objectives in the area audited.

Management Actions

Priority 1	0
Priority 2	2
Priority 3	0
Total	2

Organisational Risk Assessment

Medium

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

Key Conclusions

	Budget monitoring is not proactive and remains limited to the Budget Setting and Year-End stages, with no interim reconciliation or exception reporting. This practice increases the risk of overpayments and duplicate expense claims. A regular budget monitoring process be implemented.
	Our expenses testing identified a significant lack of recorded evidence and proper authorisation by Council staff. This lack of oversight raises the risk of members overclaiming mileage, submitting claims for non-permissible journeys, or claiming for alcohol and non-compliant meals. It also prevents the accurate coding and reclaiming of VAT as per HMRC Guidance. Members should be reminded to attach all receipts to support their mileage and expenses claims, claims should not be approved without supporting evidence.
	The Members Allowances Scheme is appropriately approved, reviewed by an Independent Remuneration Committee and is up to date. It is also appropriately published on the Public Facing Website and is in line with Government Guidance.

Audit Scope

Throughout this audit review, we covered the following key areas:

- Review of Members Allowances Scheme content.
- Approval of Members Allowances Scheme.
- Administration of Members Allowances and Expenses.
- Sample testing to confirm Allowances and Expenses are administered in line with Scheme.
- Budget Monitoring including Setting of Allowances, Authorisation of Changes and Main Accounting System monitoring.
- Governance surrounding Tithes.

Additional Information

West Oxfordshire District Council comprises of 49 Members, of whom 14 receive a Special Responsibility Allowance. The total expenditure on Members’ Allowances amounts to £334,144.00, with an additional £4133.14 spent on Member Expenses in the 2023/24 fiscal year. The Members Allowances Scheme was last reviewed by Council and the Independent Remuneration Committee in March 2023 and covers the period from 2023-27.

Tithes were tested, but due to the lack of governance surrounding these, we have not included assurance over the administration of them. Tithes are an arrangement between the Political Party and the Council’s Payroll department, whereby subscriptions are taken for party membership direct from the members allowances pay.

Given the potential for reputational damage, especially when issues arise that attract media attention, it is vital to maintain robust controls in this area.

Please note, we were unable to test Carers or Childcare allowances. However, the arrangements for this are outlined in the Scheme.

