

**Manchester City Council
Report for Information**

Report to: Audit Committee – 14 March 2023

Subject: Outstanding Audit Recommendations

Report of: Head of Audit and Risk Management

Summary

In accordance with Public Sector Internal Audit Standards, the Head of Audit and Risk Management must “establish and maintain a system to monitor the disposition of results communicated to management; and a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action”. For Manchester City Council this system includes reporting to directors and their management teams, Strategic Management Team, Executive Members and Audit Committee.

This report summarises the implementation position at the end of the last quarter (December 2022) for the Council and for schools.

Recommendations

The Committee is recommended to consider the assurance provided from the follow-up of outstanding audit recommendations.

Wards Affected: ALL

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
None
Equality, Diversity, and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
None

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities.	An effective internal audit service is an integral part of the Council's governance arrangements. It helps to maintain and develop good governance and risk management and provides independent assurance over the effectiveness of the Council's systems of control. This contributes to being a well-run Council and indirectly to the achievement of organisational objectives and the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success.	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities.	
A liveable and low carbon city: a destination of choice to live, visit, work.	
A connected city: world class infrastructure and connectivity to drive growth.	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue - None

Financial Consequences – Capital - None

Contact Officers:

Name: Carol Culley
Position: Deputy Chief Executive and City Treasurer
Telephone: 0161 234 3506
E-mail: carol.culley@manchester.gov.uk

Name: Tom Powell
Position: Head of Audit and Risk Management
Telephone: 0161 234 5273
E-mail: tom.powell@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

- Internal Audit progress reports to Audit Committee
- Schools Assurance update to Audit Committee July 2022
- Outstanding Audit Recommendations Report to Audit Committee – October 2022

1 Introduction

- 1.1 Audit Committee are provided with regular reports on actions taken to address outstanding high priority recommendations made by both Internal and External Audit.
- 1.2 There are four categories of recommendation priority: critical, significant, moderate, and minor. This report provides the details of progress to address outstanding recommendations in the high risk (critical and significant) categories and an update on proposed next steps. This report focuses solely on Internal Audit recommendations, as there are currently no External Audit recommendations being tracked.
- 1.3 This report also includes an update on progress made by school to address recommendations from school audit reports.

2 Background

- 2.1 Internal Audit usually follows up management actions on high-risk recommendations at least quarterly to obtain assurance that progress is being made to address risk. Management is required to provide demonstrable evidence to show that agreed actions have been implemented. Internal Audit considers this evidence and may choose to re-test systems and controls on a risk basis to provide assurance that agreed improvement actions have been implemented and are operating effectively.
- 2.2 Where a limited or no assurance opinion is issued, a full follow up audit is undertaken after 6-12 months to test whether agreed areas for improvement have been addressed.
- 2.3 In addition to recommendations agreed as part of our planned assurance reviews, we have now formalised our approach to capturing and tracking recommendations made through audit investigations. In specific circumstances where we find systemic control weaknesses or gaps, we will produce an action plan for management, identify action owners and agree implementation dates. Critical and significant recommendations will be monitored via the existing processes.
- 2.4 Where system related issues are found, we may include them in standard recommendation reporting to Committee but that may not be appropriate in all cases, for example, if the recommendation relates to actions needed to be taken to reduce the risks of fraud or theft where publishing to the public at large would present an increased likelihood of crime. For completeness we will continue to report progress on all counter-fraud related audit activity to the Committee through the Counter Fraud Annual report.
- 2.5 Progress made in the implementation of agreed actions is reported quarterly to Directorate Leadership Teams (DLTs), Strategic Management Team (SMT) and Audit Committee. Executive Members are notified of high priority recommendations reaching six months overdue. At nine months overdue, Strategic Directors are required to attend Audit Committee with the relevant

Executive Member to explain the position and progress to either address or accept the reported risks.

- 2.6 In accordance with Audit Committee expectations, the risk relating to recommendations that are not fully implemented will not be written back to Strategic Directors when they are over 18 months past the agreed implementation date. Directors will continue to attend this Committee to outline the reasons for delay and mitigating actions that they consider have reduced risk exposure to a tolerable level.

3 Current Implementation Position Update

- 3.1 The position in terms of high priority internal audit recommendations implemented in the quarter to December 2022 are summarised below and in detail at Appendix 1. Overdue recommendations are detailed in Appendices 2,3 and 4.
- 3.2 Recommendations for improving the control environment within schools are monitored by Internal Audit however these are reported as a separate item within this report. In July 2022 we provided the Committee with a report detailing audit work within schools and a summary of recommendations made and their status. We continue to revisit and re-assess schools that have outstanding and partially outstanding recommendations from financial health checks. The position regarding implementation of recommendations made in school reports up to December 2022 is provided under a separate cover.
- 3.3 At a previous meeting, Members were provided with an update on recommendations made with regards to Housing Operations - Void and Empty Properties audit. We have now concluded our follow up work and provide details below of the progress made to date.

Outstanding Recommendations – over 12 months

- 3.4 At present we are tracking three recommendations that are over 12 months old. One of these is longstanding and the other two are more recent, now being 13 and 15 months overdue. All are classed as being partially implemented.

Directorate	Audit Title	Due Date	Months	Status
Adults	Mental Health Casework	30/09/19	34	Partially implemented
Children	Placement Finding: Review of Core Processes	30/11/21	13	Partially implemented
Children	Placement Finding: Review of Core Processes	30/09/21	15	Partially implemented

Mental Health Casework

- 3.5 There has been a range of new improvement activity within Greater Manchester Mental Health Trust (GMMHT) and re-prioritisation of resources, including staff, to focus on urgent, high-risk areas such as inpatient, demand and casework that has affected this work. There have been changes in leadership, challenges in capacity and the focus of the Council and of GMMHT has been in other critical areas so actions in respect of this partially implemented recommendation have not been progressed at the pace proposed in previous updates to Audit Committee.
- 3.6 Management updates have been provided to explain that whilst progress has been made in training some GMMHT staff to use the adult social care system (Liquid Logic) and 17 further staff have been allocated to complete training, this remains incomplete and further queries have been raised in respect of workflow in Liquid Logic. Management also propose to reassess the original risk from the 2019 audit report to ensure that this remains the most appropriate response and most effective use of capacity given competing priorities and changes in systems, roles and responsibilities since the audit was completed. Internal Audit support this approach to review the proposed changes in process alongside all other known risks and areas for improvement.
- 3.7 Whilst the systems and process change that was proposed as part of the audit recommendation would have provided a more efficient and effective process and should have been addressed on a timely basis, management and Internal Audit agree that work with GMMHT needs to focus on wider, current and urgent areas for improvement. Subject to comments from Audit Committee we propose that the points raised in this audit, that are understood by management, are incorporated into the wider set of improvement actions being developed by GMMH with support from the Council and other partners and that is being overseen by the Manchester Governance Group.

Placement Finding

- 3.8 Through follow up work in 2022 Internal Audit confirmed several improvements had been made following the initial audit. This included the introduction of steering group meetings attended by finance and commissioning colleagues to review outstanding payments/placements, weekly catch ups between

commissioning and finance managers to identify and resolve data discrepancies within systems and use of a 'conversation tool' within the payments system to allow issues with provider invoices to be resolved more. To facilitate the additional work required, the service also introduced a dedicated post for tracking internal foster carer payments and to provide support to social workers to ensure placements are processed correctly and in a timely manner.

- 3.9 The outstanding recommendations relate to the use of management information as this is not currently produced from the system or used to track placement ends for over 18s or checks to ensure payments are not being made to multiple carers for a single child. An audit of foster care overpayments is being completed and the aim was to use the results of the testing to confirm the impact of progress made. This work is due to be finalised in March. If issues of concern remain or recommendations remain classified as outstanding following this audit, then the Director and Executive Member will be asked to attend and update the Audit Committee on proposed actions.

Overdue Recommendations – 6 to 12 months

- 3.10 There are three recommendations that have been overdue for between six and twelve months, two relate to contracts and the use of waivers and extensions, and the other relates to audit recommendations made in respect of Avro Hollows Tenant Management Organisation (AHTMO).
- 3.11 Progress on actions from the waivers report has been largely positive. One of these is dependent on the new contract management system and has been delayed due to complexities within that project although this should be addressed by the summer 2023. The other relates to changes in the Constitution which were approved in November 2022. As such the key action has been addressed but the service is also updating guidance, reference documents and training materials to reflect these changes and expect this to be complete by the end of April 2023. We will continue to engage with management on developments in these areas.
- 3.12 Engagement between the Council and AHTMO has been challenging and this has impacted a number of areas of proposed follow up by Internal Audit. As a result the audit recommendations and other significant concerns have been raised with the service and with AHTMO by the Head of Audit and Risk Management. As a consequence Internal Audit have not followed-up the audit recommendations but these form part of the broader dialogue that is taking place between the Council and TMO.

Overdue Recommendations – 1 to 6 months

- 3.13 We are tracking eight recommendations that are now in this category, five are classed as partially implemented and three are not implemented. We are following up actions in relation to Avro Hollows Tenant Management Organisation (3), Housing Operations Governance (2), Housing Voids (1) and two recommendations regarding Privacy Notices. More detail is provided in

Appendix 4 below.

Not Yet Due

3.14 A total of 16 recommendations rated significant / critical are not yet overdue, these will be tracked through to implementation. All have been agreed as part of audit work and reports finalised in the period April 2022 to December 2022.

4. Recommendations from School Audit Reports

4.1 Follow up visits have undertaken with five of nine schools that had received limited audit assurance opinions since the start of 2018/19. There were 57 critical and significant risk recommendations made from audits of these schools although 9 of these related to the more recent audits of Abraham Moss High School and the Divine Mercy RC Primary School where agreed actions were not due.

4.2 Of the remaining 48 actions all but 7 had been fully or partially implemented which provides positive assurance over the work being done to address risks identified through audits. All actions had been fully implemented at All Saints Primary School and further progress was evident at St Phillips, Martenscroft Nursery and St Bernards as illustrated in table 1. These schools have been provided with advice to help them address their agreed actions in full.

**Table 1: Implementation of recommendations from school audit reports
Position at the end of quarter three (December 2022)**

Audit	Total Made	Outstanding	Partially Implemented	Fully Implemented / Mitigated
Lily Lane Primary	7		3	4
St Margaret's CofE Primary	6		3	3
St Bernard's Primary School	8	2	4	2
Martenscroft Nursery School and Children's Centre	7	1	3	2
Collyhurst Nursery School and Children's Centre	4	4		
All Saints Newton Heath Primary	9			9
St Phillips Primary	7		2	5
The Divine Mercy RC Primary (not yet due)	3	3		

Abraham Moss High (not yet due)	6	6		
Total	57	16	15	25

- 4.3 Whilst we were unable to complete follow up activity at Collyhurst Nursery due to staff absences, the Chief Financial Officer of the Greater Manchester Academies Trust (GMAT), who are supporting the school has provided assurance that progress has been made in addressing the issues raised in our audit report and we agreed that a formal follow up visit would take place in April 2023 alongside with scheduled visits for The Divine Mercy and Abraham Moss.
- 4.4 The overall position is positive and Internal Audit will continue to engage, follow up and escalate as required to ensure schools sustain a focus on addressing actions agreed in audit reports.

5 Recommendation

- 5.1 Audit Committee is requested to note the current process, the inclusion of recommendations via investigation work, and position in respect of high priority Internal Audit recommendations.

Appendix 1 – Implemented Recommendations

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Technology Enabled Care	30 June 2022	Reports should be run periodically to identify which service users have not tested their equipment within the period. Staff should contact them to both test equipment and to remind/advise customers of the monthly test requirement to ensure equipment is functioning correctly.	The recommendation is agreed. Work is ongoing with the primary supplier to automate testing where manual testing has not been carried out. Once implemented, the risk will be mitigated	Person recruited into post and has commenced contacting service users who haven't tested equipment - this includes equipment not returned from deceased etc. We consider this action to be fully implemented.	No further action required.
Housing Operations Voids	30 September 2022	There should be comprehensive register of all voids with clear associated costs. Responsibility for all long-term strategic voids should be taken by Housing Operations (Northwards). A full reconciliation should be undertaken for all strategic voids to ensure the correct Council Tax is being paid, and consideration should be given to apply for an exemption for those awaiting demolition. Consideration should be given to adding all void properties onto QL to enable reporting.	Agreed. All the above will form a key part of the Strategic Void group. Recovery of void council tax if overcharged to be investigated.	Follow up audit completed in Q3. A comprehensive register of all voids now exists, and cost data is collated monthly. Housing Operations are now formally responsible for managing all long-term strategic voids and the Strategic Void Group meets regularly. A finance report captures all 'turnover' and costs relating to strategic voids; empty property Council Tax charges incurred, council tax and rental income lost. This is updated each month. Some empty properties where Council Tax was charged incorrectly have been identified and several properties have now been demolished therefore are no longer incurring Council Tax. A full reconciliation was undertaken for all strategic voids and exemptions are under consideration. All remaining strategic voids have been added to QL.	No further action required

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Housing Operations Voids	30 September 2022	The new Governance Proposals drafted by the Assistant Director of Housing Operations shall be implemented in full, including: The strategic void meeting group reporting to the Housing Board, Proposed record keeping, Category allocation review, Development of options appraisal (to include socio economic considerations), and Clear timescales and prioritisation.	Agreed	Follow up audit completed in Q3. The governance proposals are now operational including regular meetings of the Strategic Void Group which is progressing actions in line with an agreed Terms of Reference (these have been amended so that the strategic void group now generally report to the HRA Capital Programme and Delivery Board with financial reporting including void rent loss to the Housing Board). The Group is prioritising strategic voids through the meetings and progressing bringing properties back into use. The options appraisal process has been drafted and agreed by the group for use.	No further action required.
Housing Operations Voids	30 September 2022	Proposals for ownership and oversight of reporting of management/performance information for all void properties should be developed to tie in with the new governance proposals. Arrangements for and frequency of the management monitoring and reporting should be included within the relevant policies.	Agreed	Follow up audit completed in Q3. The Assistant Director of Housing Operations monitors performance information for all void properties through the Strategic Void Group. This will be used operationally and provides a reporting route to the HRA Capital Programme and Delivery Board; the decision-making forum for proposals resulting from appraisals. The KPI monitoring (including the number of voids and relet time) is reported through to the Housing Advisory Board. The tracking of the end-to-end key process for managing voids has been reviewed and a comprehensive tracking report is	No further action required.

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
				produced. Finance reporting is undertaken regularly to establish the monetary loss of void properties.	
Asset Management Plan Management (Neighbourhoods)	30 November 2022	<p>The rationale behind the decision to include or not include individual schemes on the AMP or prioritise some over others should be better recorded. Options to facilitate this could include:</p> <p>The dedication of an AMP Steering Group meeting to assess and discuss the schemes to be included on the AMP and the recording of the basis of decision making evidenced within minutes.</p> <p>The introduction of a planning template for each proposed scheme showing:</p> <ul style="list-style-type: none"> -confirmation that key AMP criteria met -contribution to corporate priorities (zero carbon, access and inclusion etc.) -key stakeholder/s -key risks of not completing the works -risk/impact assessment -key challenges to successful delivery -delivery date requirements. <p>The introduction of a scoring mechanism to help in determining the priority of individual schemes.</p>	<p>(i) A dedicated Asset Management Programme (AMP) Steering Group is planned in November each year to discuss and make recommendations to the Estates Board for the annual programme. In advance, a summary will be provided for discussion and decision of proposals evaluated following a scoring template meeting AMP, risk and corporate objectives.</p> <p>(ii) The summary timescale for meeting programme and individual scheme delivery will be reviewed with actions agreed.</p>	<p>The scoring template was revised during 2022 to improve the emphasis on strategic priorities including carbon reduction. This is being used along with the refreshed AMPlication form, condition surveys and regular planned review meetings with services and stakeholders to support the programme of work. Examples were provided to confirm the operational use of these which will help to support and evidence the rationale behind the prioritisation of schemes onto the AMP.</p> <p>The AMP Steering Group and Estates and Assets Board have discussed and received updates on the current year AMP and the draft budget for 2023/24. We therefore consider this recommendation to be implemented.</p>	No further action required.

Appendix 2 – Recommendations Over 12 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Mental Health Casework Compliance	30 Sept 2019	<p>The Director of Adult Services should ensure that a formal process is agreed and established with the Trust for a monthly reconciliation between safeguarding referrals sent and received.</p> <p>Trust and Council staff should work together to ensure that the new case management systems in each organisation – Paris and Liquid Logic, respectively – consistently record outcomes of safeguarding referrals, so that these can more easily be transferred across systems to ensure completeness of Council records and ability to monitor outcomes.</p>	<p>It is accepted that safeguarding outcomes need to be recorded in MiCare (Liquid Logic in future). Quality and Performance group will consider options to ensure this can be done efficiently and effectively.</p>	<p>Management updates have been provided to explain that whilst progress has been made in training some GMMHT staff to use the adult social care system (Liquid Logic) and 17 further staff have been allocated to complete training, this remains incomplete and further queries have been raised in respect of workflow in Liquid Logic.</p> <p>Management also propose to reassess the original risk from the 2019 audit report to ensure that this remains the most appropriate response and most effective use of capacity given competing priorities and changes in systems, roles and responsibilities since the audit was completed</p> <p>Internal Audit Opinion: Partially Implemented</p>	<p>Director: Bernadette Enright, Executive Director of Adult Social Services</p> <p>Executive Member: Councillor Robinson</p> <p>Status: 34 months overdue</p> <p>Action: Subject to comments from Audit Committee we propose that the points raised in this audit, that are understood by management, are incorporated into the wider set of improvement actions being developed by GMMH with support from the Council and other partners and that is being overseen by the Manchester Governance Group.</p>
Placement Finding: Review of Core Processes	30 Nov 2021	<p>The Commissioning Service Manager in conjunction with Social Work Managers should consider current placement closedown processes and how the risk of payments to more than one carer for the same child and period could be identified in advance to prevent significant repeated</p>	<p>As acknowledged this aspect is wider than CPT, the responsibility for entering the details of placements and closing placements are the tasks for social workers. CPT and CC do not routinely know when SGO's are granted, or children</p>	<p>This recommendation remains outstanding in part. An audit review is currently in progress to provide assurance over arrangements in place to prevent foster care overpayments which will help to inform the status of this recommendation.</p> <p>The approach to this work includes the use of data analysis software to review a data set of foster care payments to identify possible duplicate payments. Higher value duplicates are then being</p>	<p>Director: Paul Marshall, Strategic Director of Children's Services</p> <p>Executive Member: Councillor Bridges</p> <p>Status: 13 months overdue</p> <p>Action: The findings from the Foster Care Overpayments audit currently in progress will be used to</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		<p>overpayments. This should include ceased arrangements and transfers in internal foster carers; Special Guardianship Orders, extra allowances, and other costs. Once the correct process is determined this should be reflected in the Fostering, Post 16 and Residential workflow diagrams which have been produced recently.</p>	<p>move internally if this is agreed within the duty service for fostering. Meetings have taken place with HOS, LS, finance, and LL lead regarding this matter and there is not a resolution in the system which would allow more control in the fostering service. The practice continues and the issues become compounded if children are in multiple short-term placements. We are implementing weekly check ins for all children moving in and out of the service to try to get ahead of the payment issues. However, further work is needed from across CSC localities to support this aspect.</p>	<p>reviewed to establish root cause, identify any systemic weaknesses and potential ways to improve controls to prevent reoccurrence. The results of the audit will be shared in quarter four.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>inform subsequent action. For completion March 2023.</p> <p>If not addressed, then Director and Executive Member to attend Committee</p>
<p>Placement Finding: Review of Core Processes</p>	<p>30 Sept 2021</p>	<p>The Commissioning Service Manager with the support of officers from finance should determine how management</p>	<p>This is a complex area and one that also requires the input from finance officers and</p>	<p>This recommendation remains outstanding in part. An audit review is currently in progress to provide assurance over arrangements in place to prevent foster care overpayments</p>	<p>Director: Paul Marshall, Strategic Director of Children's Services</p> <p>Executive Member:</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		<p>information and reports can be used to more promptly to identify and act on:</p> <ul style="list-style-type: none"> -outstanding unpaid invoices which require resolving; -unbilled care received; -instances where payments are being made to multiple carers for a single child. -Other overpayments to carers/providers. <p>This should then be produced regularly and shared with relevant officers to allow for these cases to be addressed. Work should also be undertaken with providers to ensure they are billing correctly to facilitate payment i.e., one invoice per child and this should include all costs related to the placement (accommodation plus any support costs).</p>	<p>practitioners linked to the practice of placing children with care givers. CPT and CC do not always know when such issues arise particularly if they are internal foster carers.</p> <p>The Controcc system requires a high level of expertise which we do not have in the service, particularly to run reports which are accurate. This aspect is also a resource and capacity issue, and discussions are on-going with senior leaders regarding this aspect.</p>	<p>which will help to inform the status of this recommendation.</p> <p>The approach to this work includes the use of data analysis software to review a data set of foster care payments to identify possible duplicate payments. Higher value duplicates are then being reviewed to establish root cause, identify any systemic weaknesses and potential ways to improve controls to prevent reoccurrence. The results of the audit will be shared in quarter four.</p> <p>Internal Audit opinion: Partially implemented.</p>	<p>Councillor Bridges</p> <p>Status: 15 months overdue</p> <p>Action: The findings from the Foster Care Overpayments audit currently in progress will be used to inform subsequent action. For completion March 2023</p> <p>If not addressed, then Director and Executive Member to attend Committee</p>

Appendix 3 – Recommendations between 6 and 12 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Use of Waivers and Extensions	31 May 2022	<p>The ICP Team should develop a formal system for the process of submitting and approving waiver and contract requests. This should include a mandatory control for all waivers over £50k to be submitted to the Deputy Chief Executive and City Treasurer by ICP, to provide assurance of their agreement.</p> <p>Consideration should be made to integrating the Teams Approvals function into the system to support more unambiguous authorisations and a self-contained audit trail.</p>	<p>The ICP Team are currently exploring options including Teams functionality to support with this. The team are also looking to procure a new contract management system with functionality that will support management of approvals. In the immediate term, the team has already amended the waiver template form to explicitly confirm that ICP Management have been consulted beforehand. We will confirm with directorates that waivers and extensions, along with contract award reports more generally must go through the ICP Team.</p>	<p>The waivers form now requires ICP approval for all over £50k. Consideration was given to Teams and SharePoint, however this was unsuccessful. Functionality for waivers / contract award reports has been included in the specification for the new contract management system.</p> <p>We are awaiting documentation to support a sample of waivers recently completed to demonstrate the strengthening of controls following our audit. Once received we will be able to confirm the position.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Carol Culley, Deputy Chief Executive and City Treasurer</p> <p>Executive Member: Councillor Akbar</p> <p>Status: Seven months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
Use of Waivers and Extensions	31 May 2022	<p>The ICP team should work with Legal Services to simplify the Constitutional wording around contract authorisations. Wording around delegated authority should be explicit and unambiguous, with clear definitions of authorised officers.</p> <p>This should be reflected in procurement guidance and disseminated to commissioning and authorising officers. We advise that ICP take their observations regarding</p>	<p>Agree, subject to Constitutional amendments being confirmed. The ICP Team are currently working with Legal Services and directorates to develop proposed revisions for the Constitution</p>	<p>Officers drafted new contract rules for the Constitution, including on waivers/ direct award in consultation with contracts leads and the Commercial Board. The amendments were agreed at full Council on the 30 November 2022.</p> <p>These changes need to be reflected in procurement guidance and disseminated to commissioning and authorising officers for the recommendation to be</p>	<p>Director: Carol Culley, Deputy Chief Executive and City Treasurer</p> <p>Executive Member: Councillor Akbar</p> <p>Status: Seven months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		waivers/direct award and delegated authorities to the Commercial Board for discussion.		<p>implemented in full. The team are working on changes to guidance and intend to send further guidance out to contract managers in the new year.</p> <p>Internal Audit opinion: Partially implemented</p>	
Avro Hollows Tenants Management Organisation (AHTMO)	30 June 2022	<p>We found that the formal recording of repair requests was managed through a spreadsheet. However, requests were only added to the spreadsheet at the point that they were approved for referral to the external repairs' contractor. The AHTMO Manager informed us that there was no structured record of repair requests that were refused, and that minor repairs passed to the handyman were only recorded in carbonated job request books. Jobs referred to Housing Operations (previously Northwards) were also not recorded.</p>	Agreed - The Head of Housing Services should seek assurance from the AHTMO Manager over the recording and management of requests for repair at the point of receipt.	<p>The Head of Audit and Risk Management has written to Strategic Housing and the chair of AHTMO in respect of risks and concerns identified through audit and other work. The follow up of this recommendation is part of that wider letter of concerns.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Director: Becca Heron, Strategic Director of Development</p> <p>Lead Officer: Martin Oldfield, Head of Housing Services</p> <p>Executive Member: Councillor White</p> <p>Status: Six months overdue</p> <p>Action: This is an area of active follow up by the Head of Audit and Risk Management.</p>

Appendix 4 – Recommendations between 1 and 6 Months Overdue

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Housing Operations - Governance	31 July 2022	The Director of Housing Operations should ensure that the following are added into the governance documentation: Person Specification, Role profile / tasks, Required / desired skills, Membership renewal strategy, Programme of training, Equality, diversity and inclusion statement / policy, Committee member conflict of interest statements, Clarification of how the committee will appoint a chair in the Executive Member's absence, Clear plan to support continuous improvement of the committee, Outline of decision-making arrangements. We also recommend the following: The proposed two-year maximum term for tenant committee membership is extended. The numbers of tenants and members are equal.	Recommendation is agreed.	<p>Role profile created and terms of reference are in place. Membership term of Housing Advisory Board set out in Terms of Reference as a minimum of two years, which was amended following the audit.</p> <p>Learning and Development offer for all members, some of which (safeguarding, cyber security) are mandatory. More detailed L&D and continuous development under discussion subject to individual needs and areas of interest (e.g. Health and Safety, Finance, Communications) Equality, Diversity and Inclusion responsibilities set out in role profile and terms of reference</p> <p>Most of the required documentation is now in place, we are just awaiting confirmation of the continuous improvement of the committee and the membership renewal strategy.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Neil Fairlamb Strategic Director Neighbourhoods</p> <p>Executive Member: Councillor White</p> <p>Status: Five months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
Housing Operations - Governance	31 July 2022	Reporting requirements and routes should be defined in the committee ToR. We would	Recommendation agreed.	The Terms of Reference ToR set out the responsibilities and remit of the Board. A Declaration of	Director: Neil Fairlamb Strategic Director Neighbourhoods

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		<p>expect this to include annual reporting, monitoring of KPIs, regular reporting against equality, diversity and inclusion priorities and objectives, reporting on the declaration of interests register, tenant's annual scrutiny review of the service.</p>		<p>Interests Register is in place and has been signed by all parties. This will be reviewed annually. The role of the board is to scrutinise the service, primarily from residents' perspective, an annual report is being produced for late Autumn 2022 where the HAB will have a vital role in overseeing and shaping the content.</p> <p>Additional work to be completed around reporting against equality, diversity and inclusion priorities and objectives and tenant's annual scrutiny review.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Executive Member: Councillor White</p> <p>Status: Five months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
<p>Avro Hollows Tenants Management Organisation (AHTMO)</p>	<p>30 Sept 2022</p>	<p>The Head of Housing Services should ensure that the Modular Management Agreement is reviewed, to ensure it accurately reflects expectations following the closure of Northwards Housing, and that it provides sufficient clarity on key aspects of delivery including anti-social behaviour and scheduling of capital works.</p> <p>Following this, the document should be finalised and signed off.</p>	<p>Agreed</p>	<p>The Head of Audit and Risk Management has written to Strategic Housing and the chair of AHTMO in respect of risks and concerns identified through audit and other work. The follow up of this recommendation is part of that wider letter of concerns.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Director: Becca Heron, Strategic Director of Development</p> <p>Lead Officer: Martin Oldfield, Head of Housing Services</p> <p>Executive Member: Councillor White</p> <p>Status: Three months overdue</p> <p>Action: Awaiting a response from AHTMO Chair and Head of Housing. This is an area of active follow up by the Head of Audit and Risk Management.</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
Avro Hollows Tenants Management Organisation (AHTMO)	30 Sept 2022	The Head of Housing Services should seek assurance from the AHTMO Manager over the completeness of the local policy for assessing repair quality and resident satisfaction, and the extent of compliance with the expectations outlined in the Modular Management Agreement.	Agreed	<p>The Head of Audit and Risk Management has written to Strategic Housing and the chair of AHTMO in respect of risks and concerns identified through audit and other work. The follow up of this recommendation is part of that wider letter of concerns.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Director: Becca Heron, Strategic Director of Development</p> <p>Lead Officer: Martin Oldfield, Head of Housing Services</p> <p>Executive Member: Councillor White</p> <p>Status: Three months overdue</p> <p>Action: Awaiting a response from AHTMO Chair and Head of Housing. This is an area of active follow up by the Head of Audit and Risk Management.</p>
Avro Hollows Tenants Management Organisation (AHTMO)	30 Sept 2022	The Head of Housing Services should seek assurance from the AHTMO Manager over the completeness and accuracy of performance monitoring, including the frequency of resident satisfaction surveys.	Agreed	<p>The Head of Audit and Risk Management has written to Strategic Housing and the chair of AHTMO in respect of risks and concerns identified through audit and other work. The follow up of this recommendation is part of that wider letter of concerns.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Director: Becca Heron, Strategic Director of Development</p> <p>Lead Officer: Martin Oldfield, Head of Housing Services</p> <p>Executive Member: Councillor White</p> <p>Status: Three months overdue</p> <p>Action: Awaiting a response from AHTMO Chair and Head of Housing. This is an area of active follow up by the Head of Audit and Risk Management.</p>
Housing Operations Voids	30 September 2022	Detailed options appraisal guidance should be developed, and a full options appraisal should	Agreed	Follow up audit completed in Q3. The detailed options appraisal guidance has been developed	Director: Neil Fairlamb Strategic Director Neighbourhoods

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		<p>be undertaken for all strategic voids including a cost benefit analysis to ensure investment / repair decisions are well informed, and based on future use / strategic plans / community plans etc. The Asset Management strategy should be updated to include proposals for record keeping / assessment / decision making / reporting and Management Information.</p>		<p>and agreed by the Strategic Void Group. Appraisals have been completed or are underway for all strategic voids, now under the scrutiny of the Group. Several properties are awaiting structural reports to enable these to be finalised and can take a year to commission and complete. Some of the strategic voids have new established 'exit' routes since the time of our audit, for example, be demolished.</p> <p>The Asset Management Strategy has been updated to align to the transition of Northwards Housing into the Council and includes reference to the Strategic Void Group and options appraisals. The strategy will undergo a comprehensive review before the end of March 2023.</p> <p>Internal Audit opinion: Not implemented</p>	<p>Executive Member: Councillor White</p> <p>Status: Three months overdue</p> <p>Action: To continue to request updates from the service and evaluate progress.</p>
Privacy Notices	31 Oct 2022	<p>The Data Protection Officer (DPO) should co-ordinate an exercise to assess current privacy notices and confirm whether they are tailored to individual user groups identified as unlikely to understand the standard information given. Where required amendments are identified, the Data Protection Officer should agree target timescales for delivery of these amendments with relevant officers.</p>	Agreed	<p>The assessment identified four service areas where a tailored privacy notice would be beneficial. These all fell within the remit of the Directorate Senior Information Risk Owner (DSIRO) for Children's, Education and Adults.</p> <p>In addition, the DPO will provide more hands-on support to the DSIRO.</p>	<p>Director: Fiona Ledden, City Solicitor and Senior Information Risk Owner</p> <p>Executive Member: Councillor Craig at time of report issue – now Councillor Akbar</p> <p>Status: Two months overdue</p>

Audit Title	Due Date	Recommendation	Management Response	Update/Opinion	Ownership and Actions
		Formal consideration of the intended audience could be added to the scope of periodic reviews to ensure full coverage and evidence decision making as to whether tailored information is required in specific circumstances.		<p>The next periodic review of all privacy notices will include and record consideration of the intended audience and whether tailored information is required.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Action: To continue to request updates from the service to evaluate progress.</p>
Privacy Notices	31 Oct 2022	There should be a systematic exercise coordinated by the DPO to ensure service specific privacy notices are communicated to individuals at the correct time.	Agreed	<p>Coverage of this topic was included in the agenda for the Data Governance Network meeting in June 2022. However, completion checks have not yet been followed up by the DPO.</p> <p>Internal Audit opinion: Partially implemented</p>	<p>Director: Fiona Ledden, City Solicitor and Senior Information Risk Owner</p> <p>Executive Member: Councillor Craig at time of report issue – now Councillor Akbar</p> <p>Status: Two months overdue</p> <p>Action: To continue to request updates from the service to evaluate progress.</p>